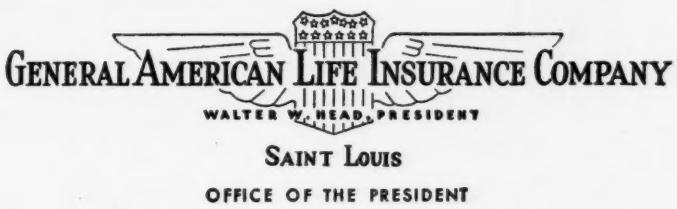


The NATIONAL UNDERWRITER

Life Insurance Edit

Insurance Library



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SEP 29 1939

Open Letter to Members of the National Association of Life Underwriters

Gentlemen:

Fifty years—five decades—of pioneering, of inspired leadership and constructive service mark the rugged highway over which our organization—The National Association of Life Underwriters—has traveled.

As you meet in convention to look backward through the years, you have much of which to be proud. For yours has been a "helping hand" service that has actually helped.

Through the media of life insurance you have contributed generously to the security of American life. And through organization—through the interchange of ideas and ideals—you have, at the same time, enriched your own lives.

Ahead of you in this swiftly changing world lies a trail fraught with even more difficulties than the one you have traveled. But you will, we are certain, meet every challenge with a determination to maintain the high standards which have won for the institution of life insurance such a large measure of public good will and confidence.

On behalf of my associates and myself I wish to greet you and welcome you to Saint Louis.

And while you're here, look in on us. You'll find an open door and a warm, sincere welcome in every executive office, every department of the General American Life Insurance Company, at 1501 Locust Street.

Yours to command,

Walter West

President



W E L C O M E

For the Company, and on behalf of the Agency Representatives of the Kansas City Life Insurance Company, many of whom belong to your association, we extend a cordial welcome to Members of the National Association of Life Underwriters assembled in our HOME state for their GOLDEN ANNIVERSARY Convention.

The success of this meeting will be reflected in the improved efficiency of all those attending, and contribute a greater public service through Life Insurance.

Kansas City
LIFE
INSURANCE COMPANY
KANSAS CITY
MISSOURI

Enthusiasm Is High at 50-Year Mark

Trustees Reallocate Duties of the Headquarters Staff

Activities of Hull, Hoffman, Jones Defined—
Titles Are Changed

Convention Headquarters
Jefferson Hotel, St. Louis

The trustees of the National Association of Life Underwriters Tuesday adopted a program for reallocation of duties at national headquarters, involving a change in title for Maxwell Hoffman and Wilfrid Jones. Such a reorganization has been under consideration by a special committee, headed by Earl Colborn, Connecticut Mutual, Rochester, N. Y., for some time. That committee has been in session in St. Louis and an acceptable agreement was reached Tuesday.

Under the new arrangement Roger B. Hull, managing director, is to be relieved of much detail work and will be left free to carry on some of the broader phases of association activity. His particular mission will be to maintain relationships with companies and with trade groups, etc. The nature of his duties will be more in line with that of counsel than of managing director.

The headquarters activities are being divided into five general departments. One of these, consisting of what might be termed contact work, will be Mr. Hull's particular responsibility.

Mr. Hoffman, who has been assistant managing director, takes the title of executive secretary, and will have in his charge two principal functions, they being association service and convention activities.

Mr. Jones will be in charge of all publications and will conduct research with the title of editor and manager of research. Heretofore his title has been assistant editor of "Life Association News," Mr. Hoffman having had the title of editor.

Vice-Presidential Contest Is the Burning Topic

This week will go down in life insurance history, of course, as the time of the golden jubilee convention of the National Association of Life Underwriters. But in the memory of many more conventioners it will go down as the time when the sensational Wright-Witherspoon contest is settled. Again a political situation is the capital point of interest at a National association convention and it promises to dominate the week as never before because the meeting of the national council to consider the report of the nominating committee and to select the place for next year's convention has been set to Thursday afternoon. In the past the issues have been decided Wednesday afternoon.

From Chicago there is a delegation of about 100 life underwriters turned politi-

Presides at Opening Session of Convention



HOLGAR J. JOHNSON

cal campaigners for a week in behalf of Harry T. Wright, Equitable Society, Chicago, for vice-president. The chief tactician is Mortimer J. Buckley, Provident Mutual, president Chicago association and chairman of the Wright campaign committee.

Proctor is Witherspoon Manager

From Tennessee there is a group of about 50 doing some skillful work in behalf of their protagonist, John A. Witherspoon, John Hancock Mutual, Nashville, for vice-president. The strategy is in the hands of E. T. Proctor, Northwestern Mutual, Nashville, chairman of the Witherspoon committee.

Each group is fortified by official state assistance. Commissioner J. M. McCormack of Tennessee is here electioneering for his home state talent for vice-president, while from Illinois Roy L. Davis, assistant insurance director, is aiding the Wright campaign.

The nominating committee, headed by Ralph G. Engelman, Penn Mutual, New York, is having an uncomfortable week. The committee had not reached a decision prior to the St. Louis meeting, and they are being tugged and pulled from all sides by members of the Wright and Witherspoon camps. The committee was in session all day Monday and a good part of Tuesday. According to the grapevine, the controversy had not been settled in the committee by Tuesday evening. Whether the committee recommends Mr. Wright or Mr. Witherspoon,

there will be a battle before the national council because the one who is not on the slate will be placed in nomination.

Should the committee name Mr. Wright, the intention is to have Mr. Witherspoon put in nomination by H. A. Hedges, Equitable Life of Iowa, Kansas City.

One prediction is that the committee will refrain from making a recommendation on vice-president.

No Boasts of Victory

The outcome appears to be decidedly in doubt. Neither candidate can be said to have an "edge." Each side has a healthy respect for the strength of the opponent and the customary pre-election confident boasts of victory are not being uttered from either camp.

The situation surrounding the secretaryship is piquant. Ray Hodges, Ohio National, Cincinnati, is the only avowed candidate for the position. His backers fear that should Mr. Witherspoon be defeated for vice-president, a movement would quickly develop to elect Mr. Witherspoon secretary, leaving Mr. Hodges as a private citizen. The Ohio group is a potent force and the Ohioans are extremely active politically at St. Louis, with C. Vivian Anderson, Provident Mutual, Cincinnati, credited with being the old maestro. Not only is Ohio promoting the candidacy of Mr. Hodges, but

Golden Jubilee Convention Is Glamorous

National Association of Life Underwriters Enjoys Big Moment in St. Louis

Convention Headquarters
Jefferson Hotel, St. Louis

The curtain went up Wednesday morning for the show in the big tent during convention week of the National Association of Life Underwriters. In other words, the first of the main convention sessions was held, and despite the distractions of dozens of other side shows during the week, the opening session of the main convention is still the moment of glamour.

It was even more glamorous this year, because this is the golden jubilee convention and the sentiment that attaches in the human breast to the half century mark is woven into this occasion. At the Wednesday morning session the golden jubilee spirit was admirably touched off in a dramatic skit acted by Manuel Camps, Jr., John Hancock, New York, and C. W. Wyatt, John Hancock, Boston. It consisted of two life underwriters of 50 years ago conducting a discussion of the significance of the new National Association of Life Underwriters that had just been formed and ending with the drinking of a toast to the life underwriters of 50 years hence.

Holgar Johnson in the Chair

Holgar J. Johnson, Penn Mutual, Pittsburgh, the national president, presided at the opening session in the dynamic style for which he is famed. The welcome was given by Fred Rench, National of Vermont, president of the St. Louis Life Underwriters Association. Greetings were extended by Ray B. Lucas, Missouri insurance superintendent in behalf of the National Association of Insurance Commissioners, taking the place of C. C. Neslen, Utah, president of the commissioners association, who could not attend. Col. C. B. Robbins, general counsel, spoke for the American Life Convention, taking the place of W. T. Grant, president of Business Men's Assurance and president of the A. L. C., who could not speak.

Challenging Note Given

A challenging note was sounded by President Johnson in his review of the past year. In light of the federal investigation the association should be prepared to defend the agency system which has faithfully provided such wide protection for the public, he declared.

The Camps-Wyatt skit was given and Mr. Johnson delivered his presidential message. The motion picture "Yours Truly, Ed Graham" was shown. Addresses were delivered by Adjutant-General Means of Missouri, substitute for Gov. Stark, and Gov. Stassen of Minnesota.

In his talk at the opening of the afternoon session, with O. Sam Cummings, Kansas City Life, Dallas, immediate past

(Continued on page 10)

Johnson Fears U. S. Encroachment On Life Insurance

Says TNEC Aims at Federal Supervision, Direct Sale to Public

A forecast of serious developments for the institution of life insurance as a result of the TNEC monopoly investigation in Washington was given by Holgar J. Johnson, president of the National association, in opening the meeting of the national council Monday. Mr. Johnson said he has read all of the testimony at the Washington hearings, that he attended some of the hearings and had conference with a number of those that are participating in the study.

He expressed the belief that the monopoly committee is interested in federal control of insurance and in an encroachment upon the agency system through the actual sale of insurance by a federal agency. There may be ahead, he declared, the need for concerted action "in order that in the future we may be in a position of placing before the public and/or the legislators the idea of what life insurance is, how it functions and what the agency system means to American life insurance and the public."

Must Fight Encroachment

The association, he said, should be in a position to cooperate with the state insurance commissioners to get across generally an understanding of the methods of state supervision.

If there is a move on the part of the social security board or other government agency to encroach upon the agency system, then the association must fight on the basis of life insurance being encroached upon by a federal bureau in direct competition with private enterprise rather than as a social measure, which was the question involved under the social security amendments. Mr. Johnson voiced the opinion that if the social security board should pay out \$250 benefits on account of the death of everyone, there is nothing to prevent stepping up the payments later to \$2,500 or \$5,000 or more.

Organized opposition will be offered to any such move, with organization efforts now well under way.

(Continued on page 43)

Mosler Is Million Dollar Round Table Chairman

Henry G. Mosler, Massachusetts Mutual Life, Los Angeles, was elected chairman of the Million Dollar Round Table at its meeting Tuesday, succeeding Paul C. Sanborn, Connecticut Mutual Life, Boston. His associates on the executive committee are H. Kennedy Nickell, Connecticut General Life, Chicago, and Robert P. Burroughs, National Life of Vermont, Manchester, N. H.

The new chairman started in life insurance work in 1930, wrote \$1,800,000 his first year and has never gone below the \$1,000,000 mark since that time. His biggest year was in 1935, when he wrote over \$2,000,000. He has always been greatly interested in association work and served as president of the Los Angeles Association of Life Underwriters last year. He has been active in the round table ever since he first qualified for membership and has been on the executive committee for the past two years.

May Change Meeting Day

The time of the meeting hereafter may be changed from Tuesday to Monday of convention week. Retiring Chairman Sanborn recommended such a change to the incoming administration, on account of the fact that a number of members of the round table want to attend the meeting of the managers' section, which is always held on Tuesday, and the further fact that there is practically always a meeting of the trustees on that day, which takes away a number of others.

There were about 50 in attendance, including 11 former chairmen: Paul F. Clark, W. M. Duff, George E. Lackey, T. M. Riehle, R. A. Brown, M. J. Donnelly, T. M. Scott, H. T. Wright, Grant Taggart and Jack Lauer. The total membership was somewhat less this year, due to the tightened qualification requirements.

Tribute Paid to Stinde

At the opening of the session, the members stood for a minute to pay honor to the memory of Eugene B. Stinde, Northwestern Mutual, St. Louis, for many years an active member of the round table, who died recently, and also made provision for a further tribute to his memory.

The program this year was a decided departure from previous round table sessions, the speakers all outside the membership of the organization, including a woman editor, a million dollar policyholder and a nationally known radio operator and broadcaster, who also happens

to be a son of the President of the United States, in addition to the appearance of an authority on tax and estate problems, which has been a feature of the round table sessions for several years. All of them were enthusiastically received and the innovation seemed to meet with general approval.

Woman's Viewpoint on Insurance

Mrs. Anna Steese Richardson of the "Woman's Home Companion," the first woman ever to speak at a round table session, was given an ovation when she appeared. In spite of her 74 years and recent ill health, she was extremely "peppy" in her talk. She appeared against her doctor's orders and was accompanied to St. Louis by a nurse. Immediately after her talk she left for New York, where she was to speak Wednesday.

Her topic was the change in women's attitude toward life insurance. In her earlier years it was considered indequate for a woman to inquire about her husband's insurance. At one time when her husband was seriously ill she found that his policy had lapsed. After his recovery, a budget was established, with a substantial amount for life insurance. Now women take a deep interest in the subject, she said, from a personal standpoint.

Dangers in Consumer Movement

She then took up the attitude of women today on business in general. "What are they saying about your companies and your advertising?" She said women are particularly susceptible to propaganda and many of them are "led astray by subtle propaganda of radical leaders." This feeling of suspicion, she said, is subtly encouraged by the federal government and the New Deal. She said the propaganda circulated by the federal government is especially misleading. She spoke of the fact that security funds may be diverted to other uses. Women are encouraged to believe that the government offers the best security. They have no idea what life insurance companies do to get safe investments.

She took up the trends in the so-called consumer movement, which has as its purpose attacks on business and the capitalistic system. She told of the propaganda disseminated among women's clubs and in the public schools. "Your job," she said, "is to protect the American home."

(Continued on page 16)

State Presidents Hold Animated Dinner Session

Many Problems Treated at Session in Charge of W. H. Andrews

About 40 attended the dinner for state association presidents Monday evening with W. H. Andrews, Jefferson Standard, Greensboro, N. C., presiding. Mr. Andrews is chairman of the committee on state and regional associations. It was a spirited session, with much informal discussion and questioning of each other regarding procedures. Three leaders gave prepared talks, they being Steacy Webster, Provident Mutual, Pittsburgh; Robert M. White, Connecticut Mutual, Dallas, and H. C. Lawrence, Lincoln National, Newark.

Mr. Andrews introduced Jess W. Moore, Mutual Life, Springfield, president Mis- souri association, who spoke a word of greetings.

Rogers Gives Facetious Report

Homer Rogers, Equitable Society, Indianapolis, a member of the National nominating committee, in facetious vein, got up and announced that he would in confidence report on the committee's deliberations. He said the committee had been in session all day and had decided to recommend C. J. Zimmerman, of Chicago, for president and R. L. Jones, of New York, for treasurer. That got a big laugh, as, of course, these nominations had been taken for granted, the big issues being the nominations for vice-president and secretary.

Steacy Webster, who is immediate past president of the Pennsylvania association, gave a talk on "Forming New Local Associations."

The state is divided into sections with a vice-president in charge of each, with the idea of taking advantage of opportunities to organize local units.

Mr. Webster advocated kindling interest in organizing an association in one man in a community, who possesses leadership qualities.

Legislative Influence

In order to have a voice in legislative affairs, the state association should strive to get a large proportion of worthwhile agents into the fold.

(Continued on page 48)



Left—group at headquarters of Cleveland organization, which is seeking the 1940 convention for their city: seated: Miss Ruth C. Rudy, Lincoln National, chairman hostess committee; H. G. Wischmeyer, John Hancock. Standing: Vernon Kroehle, Northwestern National Life; C. E. Pejeau, Massachusetts Mutual; Seth A.



Bardwell, Lincoln National, and John H. Byrne, Penn Mutual. Right, Homer Cross, Prudential, Philadelphia, surrounded by colonial dames in lobby of Jefferson, representing Philadelphia's desire to be 1940 convention hosts.

Treat Selection, Reviving 'Older' Man

Aptitude Test Puts Applicant in His Work-Day Clothes

George Lackey Tells His Experience in the Selection of Recruits

The securing of better agents through the use of the aptitude index was discussed by George E. Lackey, Detroit, general agent Massachusetts Mutual, before the managers' section.

"The most important thing to consider when filling positions of any kind is to select the right person for the right job. A good man mis-cast cannot fill a job as well as a mediocre man properly cast. The aptitude test prepared by the Sales Research Bureau has one great value, namely, to make certain that the candidate for the position has the proper aptitude to make him happy in that job, and to make it possible for him to deliver his best. The test also determines if he has the necessary mental and physical equipment to do the job."

Applicant in Sunday Clothes

In his 20 years as general agent, Mr. Lackey said that while he has met with fair success in the selection and induction of men, yet the older he grows "the more my experience convinces me that we need this assistance from outside sources. When a candidate comes to us to engage in the life insurance business he is wearing his 'Sunday clothes', so to speak, while what we want is to see him in his working clothes and to know how he lives and acts seven days a week, and not simply when he comes to make an application to engage in our line of business."

"It is most difficult in the course of a busy day to focus your imagination on your applicant's abilities and personality as they will probably appear in his work-a-day clothes. This is where the aptitude test enters in. With scientific accuracy the aptitude test projects the candidate's habits, his mental ability, and his normal reactions onto paper in the form of a list of answers. Your secretary can score this list as well as you can. With the aptitude test score before you, you have the picture of the man's fundamental psychological reactions—an image that approaches the real worker whom you can only come to know in reality after you have invested time and money in his induction, training and supervision over a period of time."

Rate High in Test

Mr. Lackey recently inducted 12 men into a college division, most of whom were life insurance majors in outstanding universities. "We have an average rating of over 10 points above 'A'; in other words, a score of between 50 and 60 for these boys, whereas an 'A' test is 46½ and over; 'B' 41½ through 46; 'C' 36½ through 41; 'D' 31½ through 36; and 'E' 31 and under."

"The bureau tells me that of the men who receive 'A' or excellent ratings on the chart, 76 per cent survive at least one year, and those who survive have an average production of \$100,000 per surviving agent."

"Similarly only 39 per cent of recruits with ratings of 'E' or poorer survive the first year, and the average production of these survivors would be only \$47,000 apiece. An agency which hired a group of only 20 agents with ratings of 'A' would receive as much first year pro-



Top row—C. J. Mesman, assistant manager U. S. agencies Pan-American Life; H. J. Hughes, field supervisor Pan-American head office; J. W. Ross, Mutual Benefit Life, Peoria, Ill.

Second row—Frank Vesser, Reliance Life, St. Louis; Paul Clark, vice-president John Hancock; John A. Witherspoon, John Hancock, Nashville.

duction from the survivors of their group, as would a similar agency which hired 100 agents with ratings of 'D' or 'E'. This difference, of course, would continue for subsequent years, since at the end of the first year there would not only be many more men rating in the 'A' group, but the average production of these men would continue to be much higher than that of the men in the corresponding 'E' group.

Candidates Should Know Potential

"It seems to me that any right thinking young man who is seriously considering entering this business would like to know what his chances of success are, and the easiest way to answer his question is to rate him on the rating chart or on the entire aptitude test, and from his score determine whether or not he is the type of man who is most likely to succeed in the life insurance business. You cannot make an accurate statement and tell him whether he will succeed or fail, but you can tell him whether he has the characteristics of men who, by and large, do succeed, or whether he has characteristics which place him in the great group of those who have tried it and failed."

State Farm Gathering

State Farm Life held a conference at St. Louis attended by 21 state directors. The home office group included President A. H. Rust; Chairman G. J. Mechelle; Vice-President A. W. Tompkins, and Morris Fuller, agency director.

Holgar Johnson Slightly Wounded

Holgar Johnson, national president, is nursing some sore spots, as a result of a severe fall while attending the Penn Mutual convention in Atlantic City the other day. He was knocked unconscious at the time, but he suffered no serious consequences.

Managers' Section Rally Again Is Capital Event

Attendance Exceeds 800; Setup Is Changed; Los Angeles Wins Cup

With a turnout of about 800 and with a speaking program of uncommon merit, the gathering of the Managers Section of the National Association of Life Underwriters at St. Louis Tuesday again established that function as one of the capital events of National convention week.

Ever since the section was organized its status and scheme of operation have been periodically revised and this week a further change was made at the instance of Philip B. Hobbs, Equitable Society, Chicago, who is completing his second term as chairman. The trustees of the National association Tuesday morning adopted Mr. Hobbs's proposal that the steering unit of the Managers Section consist of a standing committee of the National association, with a chairman and vice-chairman, to be appointed by the president. The committee will consist of 18, six to be appointed each year.

Previous Arrangement

Previously the Managers Section has elected its own executive committee and the committee has selected its own chairman and vice-chairman. The executive committee decided that until the new president makes the committee appointments Mr. Hobbs shall continue as chairman.

Much interest was taken in the award of the trophy to the managers association that had the best record during the year. The committee awarded the cup to Los Angeles, which was the winner last year as well.

The morning session got under way with a message from Holgar J. Johnson, president of the National Association. He said effective management is dependent upon controlled investigation, experimentation and the creation of verified principles.

Mr. Johnson then presented K. E. Williamson, Massachusetts Mutual, Peoria, Ill., program chairman. C. H. Pindexter, Northwestern Mutual, St. Louis, extended greetings as chairman of the managers' section of the St. Louis association.

John M. Holcombe, Jr., manager Research Bureau, gave an address, "Better Selection of Agents", and George E. Lackey, Massachusetts Mutual, Detroit, discussed the use of the aptitude test.

University Man Is Heard

Fred A. Russell of the University of Illinois gave a talk on "Hiring the College Graduate". The state universities, he said, are increasingly giving courses of practical training for insurance. This is not true of the endowed institutions. The state universities are giving as far as possible what the students want.

Practically every college is seeking to find places for its graduates. Some form advisory committees of business men for the purpose. The colleges no longer dismiss the graduates with their diplomas.

General agents and managers should deal with the established placement agencies in the campuses, rather than browsing about and circumventing the

(Continued on page 46)

Crowded Program for Women Agents

Women Build Record of Capable Work in Field

Road Is Being Made Easier for Future Generations of Women Agents

By JOHN A. STEVENSON
President, Penn Mutual Life

(Before Women's Quarter Million Dollar Round Table Dinner)

If, as the saying goes, the leaders in any business are the pace-makers for the future, then there can be little question that the future for women in the field of life underwriting looks decidedly bright. Even though records of women underwriters go back two centuries, we know that women have been a prominent factor in the life insurance business only within fairly recent years. It's the women who are in the business today, therefore, who will largely determine the opportunities which life insurance selling will offer to women in the future and while, under present conditions, I usually hesitate to make forecasts, it's my feeling that the woman underwriter of tomorrow will find lots of difficulties removed from her path by the splendid work which so many of you women are doing today.

In this connection, however, I think you women as a group should recognize a possible danger. You and I both admit that incompetent underwriters in the past have built up a certain amount of sales resistance which the competent underwriter has to break down today. You and I both know, also, that too many women have entered the life insurance business just because it offered them an opportunity to earn a little money on the side. The number of these women isn't very large and the harm done to the career woman's business may, thus far, be very small. At the same time, we can't expect people to have a very high opinion of life underwriting as a career for women if very many of the life insurance representatives with whom they came in contact are not qualified for the serious work they are attempting to do.

No Work For Dabbler

Life underwriting, under present-day conditions, is certainly no work for dabblers and you will be smoothing the path for the future, in my opinion, if individually and as a group, you bring the weight of your influence to bear against allowing women to enter our business who are not qualified for professional life underwriting or who are unwilling to pay the price in the way of study and hard work which a career in the field of life insurance demands.

There is a growing appreciation on the part of the public as to what is involved in high-grade underwriting service and the attitude of this group can be ex-

(Continued on page 16)

National Life of Vermont Holds Luncheon Get-together

Representatives of National Life gathered for luncheon Wednesday at the Missouri Athletic Club. The head office was represented by Vice-President E. D. Field; Karl Gumm, assistant superintendent of agencies; Adam Littig, Davenport, Ia., middle western supervisor, and A. C. Bowser, who has just joined the National Life as head of salary savings.

Women's Round Table Meeting Attended by 22

Attendance at the meeting of the women's quarter million dollar round table Monday afternoon numbered 22. This was the first of the women's meetings. Miss Helen Summy, Equitable Society, St. Joseph, Mo., the chairman, presided. In addition to the program of speeches considerable discussion was evoked.

At the dinner Monday evening, it was announced that Miss Alberta Allen, Massachusetts Mutual Life, St. Louis, had been selected to succeed Miss Summy as chairman for next year.

Miss Helen Rockwell, National Life, Cleveland, reported as chairman of the committee on revision of by-laws, recommending that an executive committee of three be elected. Then Miss Rockwell conducted an animated period during which she asked a number of the producers to set forth some of their ideas, particularly on personal characteristics that contribute to success in selling. Miss Rockwell first enumerated some of the characteristics that she regards as important, including tact, consideration, willingness to speak, patience, adaptability, leadership, sense of humor, prestige, personal efficiency.

Miss Kuhn Tells Technique

Miss Hermine Kuhn, Equitable Society, New York, said she attributes her results to efficiency in her office. She has a competent secretary, who makes engagements for her employer by telephone. The secretary makes phone calls for about two hours a day, and produces about two interviews. She said that 98 per cent of her sales are to men. She endeavors to get the names of 15 prospects from each person to whom she has made a sale. For two hours once a week she has a conference with a tax expert, so as to keep posted on developments.

Mrs. Sara Smith, Fairmont, W. Va., said she attributes her success to economic necessity, love for work and study. She was left with five children. She said that she finds time for her work because she loves her work in the same way that a man loves his favorite sport.

"My life is so different from that of the average business woman, I feel that I am no pattern," she declared.

Mrs. Lucy P. Kendrick, Equitable Society, Pittsburgh, said she attributes her success to the fact that she never worries. Miss Dorothy C. Paulin, Equitable Society, Pittsburgh, said that Mrs. Kendrick is vivacious, that when the mood strikes, she acts to apply a concrete idea while the spark is glowing.

Mrs. Dorothy Briggs, Equitable Society, St. Louis, said she never goes to friends for business, but she writes, stating: "Is there any reason why I should not share your business?"

Mrs. Vera Reynolds, Equitable Society, Chicago, said she devotes most of her waking hours to insurance. At first she was impelled by economic necessity, now by habit.

Prepared talks were given by Miss Kuhn, Sara Smith, Mrs. Mildred Pindexter Miller, Penn Mutual, Kansas City, and Lillian L. Joseph, Home Life, New York.

Prudential Has Parley of Mid-West Ordinary Managers

Prudential conducted a conference throughout Monday for a group of about 16 ordinary managers in the middle western territory. It was conducted by Vice-president G. H. Chace, assisted by Supervisor Sayre McLeod.

Stresses Dependents



MILDRED P. MILLER, Kansas City
Penn Mutual Life

Lincoln National Gives Luncheon for Its Group

Lincoln National life representatives will be guests of the home office at a luncheon Thursday. Vice-president A. L. Dern heads the home office group of conventioners. Others include: C. F. Cross, manager of agencies; W. T. Plogsterth, director of field service, and J. P. Carroll and A. H. Hammond, superintendents of agencies.

St. Louis Publisher Host to Visiting Scribes

The management of "Life Insurance Selling" of St. Louis gave a cocktail party and dinner for visiting journalists at the Missouri Athletic Club Monday evening. The hosts were Donald H. Clark, publisher; Harold Colbert, editor, and James J. Wingert, associate publisher. The party numbered about 30. Life insurance men present included R. L. Jones, State Mutual, New York, national treasurer; Max Hoffman, assistant managing director, National association; R. D. Lowenstein, Massachusetts Mutual, St. Louis; Adam Rosenthal, Reliance Life, St. Louis; Fred Rensch, National Life, president, St. Louis association.

Fifteen Ex-Presidents on Hand

Fifteen former presidents of the National association, the largest number in many years, were on hand for the St. Louis convention, including C. Vivian Anderson, Cincinnati; Paul F. Clark, Boston; John W. Clegg, Philadelphia; O. Sam Cummings, Dallas; J. Stanley Edwards, Denver; George E. Lackey, Detroit; J. S. Myrick, New York; T. M. Riehle, New York; L. O. Schriner, Peoria, Ill.; John Newton Russell, Los Angeles; C. C. Thompson, Seattle; Graham C. Wells, New York; A. E. Patterson, Philadelphia; Frank L. Jones, New York; Ernest J. Clark, Baltimore.

Jefferson Standard Contingent

From the head office of Jefferson Standard Life came President Julian Price, Karl Ljung, superintendent of agencies, and M. A. White, agency manager.

The Jefferson Standard representatives will attend a luncheon Thursday noon with President Julian Price as the host.

More Than 100 at Session for Women Insurance Workers

Successful Producers Tell Experiences at All-Day Meeting on Tuesday

More than 100 were in attendance at the session Tuesday for women underwriters, with Alberta Allen, Massachusetts Mutual, St. Louis, chairman of the committee on women underwriters, presiding. The proceedings were very informal and all the speakers were subjected to questions by those in attendance.

Miss Allen welcomed the group on behalf of the life insurance women of St. Louis and Mrs. Lloyd C. Stark, wife of the Missouri governor, extended a welcome from the women of Missouri. Helen B. Rockwell, National Life of Vermont, Cleveland, responded. Helen Summy, Equitable Society, St. Joseph, Mo., reviewed the Quarter Million Dollar Round Table activities.

Mrs. Martha Washburn Allin of Minneapolis was unable to be present and the questionnaire report which she had prepared was read by Margaret S. Coons, Equitable Society, chairman of the St. Louis women's division. Because of the completeness of the returns this year, it was decided to discontinue the questionnaire for a year or two. Berenice Meistroff, Guardian Life, Kansas City, chairman women's day program, outlined the theme of the session. Holgar J. Johnson, president National association, was introduced and spoke briefly, stressing the increasing part of women in life insurance and lauding the work of the women's division.

Beatrice Jones of New York City, one of the most successful women producers of the Equitable Society, who before entering life insurance in 1928, was in charge of the women's personnel division of Standard Oil, spoke on "Requisites of a Successful Woman Underwriter," and Lorraine Blair, Connecticut Mutual, Chicago, organizer of the women's finance forum, on "A Woman Merchandise Life Insurance."

Woman Manager's Observations

Sophia Bliven, manager of the women's division of the Penn Mutual in Philadelphia and former head of the women's activities of the National association, gave some "Observations of a Woman Manager." She especially urged taking a long-range view, planning for five or ten years ahead, instead of looking only to the immediate future, as many women are prone to do. "Spend money to make money," was another bit of advice she gave. She said women are less inclined to spend money on their business. Money spent on service to policyholders, convention attendance and community activities is well worth while, in her opinion. She took up the matter of time spent in service. She said that when a woman gets a request for service she is apt to dash right out, where a man would use the telephone and find out whether a personal call is necessary. Much time can be saved in that way, which can be devoted to personal work, she said.

Mrs. Eleanor Felton, Equitable Society, Boston, head of an agency 40 years old, which now has 40 women agents, described "The Woman's Market."

A telegram was received from Mrs. Alma Ware Crosby, Jefferson Standard Life, Beaumont, Tex., stating that she would be unable to attend. Hermine

(Continued on page 17)

Announcing
AN IMPORTANT STEP
toward the Solution of One of Life Insurance's
Most Talked-of Problems

There has long been a need for improving the method of compensating the life insurance agent. Desired is a system which provides him (1) a more stable income, (2) an income which follows more closely actual service rendered the policyholder and the Company, (3) a permanent and more profitable career in life insurance selling.

Here is an Entirely New Plan of Renewal Compensation
Now in Effect for NwNL Agents

Effective September 1, 1939, Northwestern National Life, by announcing a new plan of renewal compensation, took a great forward stride in the direction of rewarding its full-time producing agents in true proportion to the contribution made by them to the Company's welfare in properly selecting, selling, and servicing their business.

This new plan of renewal compensation is designed:

- (1) **To encourage business that stays on the books to fulfill its purpose in protection, with consequent substantial savings to the public;**
- (2) **To pay well the agent who stays with the Company and serves his policyholders.**

Instead of paying a percentage of the renewal premiums, this new plan pays a flat amount per thousand of business renewing over and above certain required minimums, thus assuring the man with a high persistency record a *rate* of renewal compensation materially greater than the man with average or low persistency. The amount of commission paid per thousand is the same regardless of type of policy or amount of premium, but is graded according to the year in which the business was produced. Under the plan, renewal commissions are *paid throughout the year in equal monthly instalments* and quickly become the dominant source of an agent's earnings, even exceeding the first-year commissions from substantial volumes of new business.

The new plan is not compulsory for any agent, but under it *four out of five of NwNL's full-time active agents benefit immediately by substantial increases in renewal earnings*. In no event will an agent get less in renewal commissions than he is entitled under his present agency contract, and there is no reduction in the schedule of first-year commissions paid.

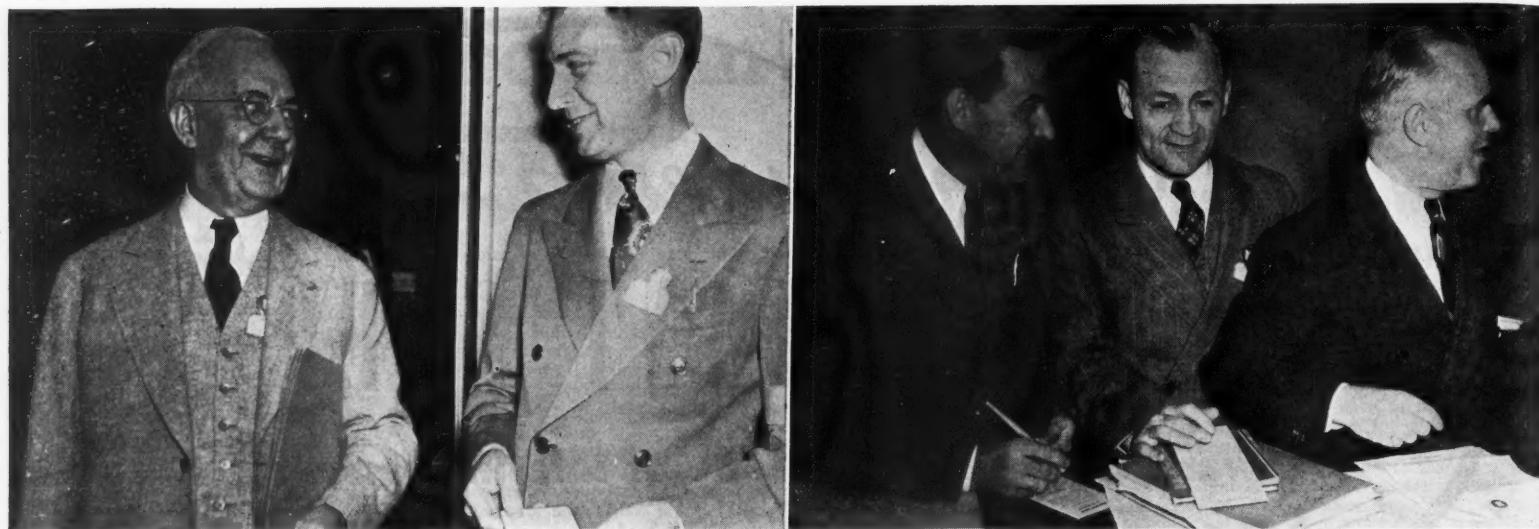
**NORTHWESTERN
INSURANCE**

O. J. ARNOLD, President



**NATIONAL LIFE
COMPANY**

Minneapolis, Minnesota



Left to right—W. M. Duff, Equitable Society, Pittsburgh; Millard Orr, Massachusetts Mutual, Philadelphia; Holgar J. Johnson, Penn Mutual, Pittsburgh, national president; H. A. Hedges, Equitable of Iowa, Kansas City, and Harry T. Wright, Equitable Society, Chicago, national secretary.

Golden Jubilee Convention Is Glamorous

(Continued from page 5)

president of the National association, presiding, W. C. Laird, manager London Life, Toronto, president Life Underwriters of Canada, extended greetings from his association and felicitations to the National Association on its 50th anniversary. He paid tribute to the agency system as being responsible for the fact that these two nations own in excess of 70 per cent of the world's life insurance.

He said the objective of both associations has been a carefully selected, well trained body of men earning an adequate livelihood and imbued with a broad vision of service. He found it encouraging that company executives "are realizing that quality of agency organization and performance spells economy of operation and promotes a lasting good will between the public and the institution of life insurance. Recent developments on both sides of the border bear out the truth of this statement."

"Just Us" Party in Afternoon

The Wednesday afternoon session was an old-fashioned life insurance meeting, for, of, and by life insurance. In other words all the speeches were on life insurance topics by life insurance men. The third party angle has been injected into this convention as never before, meaning that many of the speakers are non-insurance persons of note, but Wednesday afternoon was a "Just Us" party.

McFarlane Stresses Prospecting

A successful sales program based on a thorough prospecting plan was outlined by Frank L. McFarlane, Aetna Life, Cleveland. One of his novel methods is a new client of the month club from which he produced nearly a quarter million of new business in its first year.

By eliminating the term "closing" as a mental hazard Milton Sherman, Buffalo general agent for Connecticut Mutual Life, was able to show a marked increase in production and in his talk on "Closing" he emphasized the opening as the real key to sales success.

P. T. Aubin, Connecticut General Life, Chicago, who has a notable record for consecutive weekly production, spoke on "Pleasure, Profit and a Balanced Budget Through Weekly Production." He advocated the use of salary savings as the best means for assuring weekly production, told of its advantages and the way in which he handles that class of business.

G. G. Terriberry, formerly assistant manager of the Sales Research Bureau and now an agent of the Mutual Benefit Life in New York City, who has averaged more than \$1,000,000 a year for 11 years, pointed out some of the "hidden

values" in a sale. He said the agent's work tends to fall into a circle, whereas it should be an ascending spiral. He offered some suggestions on prospecting and sales methods by which the spiral can be attained.

A stirring talk on "Selling Is a Game" was presented by Jack McCord, Columbian National Life general agent, Los Angeles. Mr. McCord dramatically compared sports with selling and his numerous stories entertained the audience.

Urge Higher Standards

Higher standards and harder work were urged by Gale F. Johnston, St. Louis divisional sales manager, Metropolitan Life. Agents should be fired with the ambition to make themselves as good as their merchandise, he declared. He estimated that each hour in ordinary selling represented \$44 of protection.

The final feature of the day was the Million Dollar Round Table Hour, during which five members of that illustrious group released for the convention some of their wisdom. They were Paul C. Sanborn, Connecticut Mutual, Boston, retiring chairman of the Round Table; T. K. Carpenter, Northwestern Mutual, New York; W. B. Monroe, Union Central, New Orleans; Ron Stever, Equitable Society, Pasadena, Calif.

Registrations Wednesday morning gave the St. Louisans high hope that the 2,000 mark would be reached. That is the goal each year, but if it is reached at St. Louis it will be the first time that it has been achieved. The chances are good, because St. Louis is one of the most accessible cities in the country and the fiftieth year convention has been extensively publicized.

The physical accommodations at St. Louis are excellent and the mechanics are functioning smoothly. Although the weather was uncomfortably warm early in the week, the hosts were gleeful, as the thermometer descended Monday evening. The St. Louis committees had prepared well under the guidance of George L. Dyer, Sr., Columbian National, the general chairman.

Company Groups Meet

Company head offices are especially well represented this year. In addition to the agency officers who usually may be seen at these conventions, many new faces are in evidence. Practically all of the companies are holding luncheons or dinners for their representatives during the week.

Monday the national council was in session all day and that afternoon the women's quarter million dollar round

table had its session in charge of Miss Helen Summy, Equitable Society, St. Joseph, Mo., with 22 present. The round table had a dinner Monday with John A. Stevenson, president Penn Mutual, as the main speaker. The dinner Monday of state association presidents was an overflow affair, with W. H. Andrews, Jr., Jefferson Standard, Greensboro, N. C., in charge. Intense interest is shown in these sessions and the attendance each year is greater.

Tuesday was the usual whirlwind. The General Agents & Managers Section had a splendid day, with an attendance of some 800. The women underwriters, with an attendance of more than 100, were in session morning and afternoon and had a formal luncheon gathering as well. The Million Dollar Round Table, with an attendance of about 50, had an interesting day, the highlight being the noonday address of Elliott Roosevelt.

Thursday afternoon is left free for entertainment, after the session of the national council to elect new officers and to select the 1940 convention city. The conventioneers are offered a choice of three entertainment features—the horse races, a ride on a Mississippi River steamer and an evening at the Sunset Country Club.

Jess W. Moore, president, Missouri State Association, in his welcoming address presented to those on the platform, and other leaders souvenirs of the Ozark mountains—a pie to Roger Hull, gavels to C. J. Zimmerman and H. J. Johnson, and a cedar chest to Mr. Johnson, containing some records of the day.

Mr. Lucas, in the course of his talk, declared "social security is nothing but insurance." He also spoke, seemingly with approval, of the suggestion that the federal government furnish \$250 death benefits for all citizens. Apparently he did not appreciate that he was touching a tender spot with his audience.

Mr. Lucas got a big hand in his demand that supervision of insurance remain in the hands of the states. The commissioners are closer to the public, companies, and agents than could a federal agency be.

Colonel Robbins referred to the monopoly investigation. He said the investigators have gone far beyond the scope of the study as originally outlined. He quoted one of the investigators as telling Holgar Johnson that the ordinary man has nothing to fear, but the industrial man is doomed, as the government intends to handle such insurance. Nevertheless, Colonel Robbins said, the investigators seem to be boosting savings bank insurance, which is a threat to ordinary. He expressed the belief that the business should speak its mind and resist the destructive forces that have been released.

American College Trustees Hold Annual Dinner Parley

The trustees of the American College of Life Underwriters held their annual dinner session Tuesday, clad in dignified evening apparel. Julian S. Myrick, Mutual Life, New York, presided as chairman. Reports were given by David McCahan, dean, and John P. Williams, educational counsellor. At cocktails before the dinner a toast was quaffed to Paul Clark, vice-president of John Hancock, in honor of the fact that on Tuesday he had been for 25 years a John Hancock man.

Mr. Myrick was elected a life trustee of the college.

Franklin W. Ganse, of Boston, treasurer of the college since its inception, and one of its first life trustees, had requested that he be permitted to relinquish treasurer's duties. The board presented Mr. Ganse with a handsome gift and adopted a resolution of appreciation for his services. S. W. Hodge, treasurer, Provident Mutual, is the new treasurer of the college.

The board adopted a plan for holding periodic conferences of C. L. U. educational leaders on a regional basis.

The board reelected for another three-year term Paul F. Clark, O. Sam Cummings, W. M. Duff, Grant L. Hill and George L. Hunt. The board elected Cecil J. North, vice-president, Metropolitan, and S. W. Hodge, treasurer, Provident Mutual, as trustees.

Registration Over 1800

Early Wednesday morning the registration totaled 1844 with the out-of-town attendance 1142 and the local 702.

General American Directory

General American Life of St. Louis is publishing a directory, giving names, company connection and St. Louis hotel room of all who have registered. This will be distributed Thursday.

McCormack Aids Witherspoon

J. M. McCormack, Tennessee commissioner, is in St. Louis aiding the campaign in behalf of the election of John A. Witherspoon as national vice-president. Mr. McCormack will go to Chicago next week for the gathering of commissioners to discuss the war risk clause situation.

Homer Rogers, Indiana manager Equitable Society, who has been president of the Indiana association for five years, says the reason he has been continued in office so long is because the members are afraid that if he wasn't, he wouldn't continue to hold the annual picnic at his cottage.

1st Day

NATIONAL LIFE CONVENTION DAILY, SEPTEMBER 27, 1939

11

LOS ANGELES SALUTES

THE NATIONAL ASSOCIATION
OF LIFE UNDERWRITERS



• CABRILLO BOULEVARD, THE WIDE BEACH THOROUGHFARE OF SANTA BARBARA AND THE MAIN HIGHWAY SOUTH TO LOS ANGELES.

The Managers and General Agents of Los Angeles shown on this page take this means of extending felicitations to the N.A.L.U. assembled in St. Louis. We congratulate this great life insurance organization on its progress.

WALTER J. STOESSEL, General Agent
R. L. INGRAHAM, Associate General Agent
NATIONAL LIFE OF VERMONT
Southern California Agency

609 S. Grand Ave. Los Angeles

MARK S. TRUEBLOOD
Manager
SOUTHERN CALIFORNIA and ARIZONA
THE UNION CENTRAL LIFE INSURANCE CO.
CINCINNATI

609 S. Grand Ave. Los Angeles



“THE PROUTY AGENCY”
PHINEHAS PROUTY, JR., General Agent
GEORGE E. BRADY, Agency Assistant
THE CONNECTICUT MUTUAL LIFE INSURANCE CO.
530 West 6th St. Los Angeles

HAYS & BRADSTREET
General Agents
NEW ENGLAND MUTUAL LIFE INSURANCE
COMPANY OF BOSTON

609 South Grand Ave. Los Angeles

W. K. MURPHY
General Agent
SOUTHERN CALIFORNIA
NORTHWESTERN MUTUAL LIFE INSURANCE CO.
609 So. Grand Ave. Los Angeles

HAROLD G. SAUL
General Agent for Southern California
JOHN HANCOCK MUTUAL LIFE INSURANCE CO.

510 West 6th St. Los Angeles

W. T. SHEPARD
General Agent
THE LINCOLN NATIONAL LIFE INSURANCE CO.
“Link Up With The Lincoln”
510 West 6th St. Los Angeles

H. S. STANDISH
Manager
SUN LIFE ASSURANCE COMPANY OF CANADA

617 So. Olive St. Los Angeles

JOHN W. YATES
and Associates
MASSACHUSETTS MUTUAL LIFE INSURANCE CO.
530 W. 6th St. Los Angeles 111 SUTTER ST. San Francisco

H. J. GARRETSON
Manager
GEORGE P. QUIGLEY, Assistant Manager
FIDELITY MUTUAL LIFE INSURANCE CO.

510 West 6th Street Los Angeles

WILMER M. HAMMOND
General Agent
AETNA LIFE INSURANCE CO.
10th Floor, 810 S. Spring St. Los Angeles

J. S. MARR
Manager
RELIANCE LIFE INSURANCE CO.
OF PITTSBURGH

Associated Realty Bldg. Los Angeles

GEORGE H. PAGE, Manager
LOS ANGELES AGENCY
CALIFORNIA-WESTERN STATES LIFE
418 Chamber of Commerce Bldg.
LOS ANGELES

MURRELL BROS.
General Agents
MUTUAL BENEFIT LIFE INSURANCE CO.
NEWARK, N. J.

510 West 6th St. Los Angeles

Welcome TO SAINT LOUIS N.A.L.U.



We are happy to
have you in our
midst.

At Your Service



American
**LIFE and ACCIDENT
INSURANCE CO.**

**AMERICAN LIFE BUILDING
3805 Lindell Blvd.
SAINT LOUIS, MO.**

S. B. HUNT, Pres.

F. J. MORAN, Vice-Pres.

J. H. DOAN, Vice-Pres.



Top row—Roy L. Davis, assistant insurance director of Illinois; Earl Colborn, Connecticut Mutual, Rochester, N. Y., national trustee; Frank M. See, New England Mutual, St. Louis.

Second row—George L. Dyer, Jr., Columbian National, St. Louis; John D. Moynahan, Metropolitan Life, Berwyn, Ill.; J. G. Callahan, Metropolitan Life, St. Louis.

W. M. Duff Is Disgorging Letter Openers From Pockets

W. M. Duff, president of the Edward A. Woods Company, Pittsburgh, general agents of Equitable Society, is noted, among other things, for the fact that he never fails to have his pockets filled with advertising novelties. So free is he to distribute these novelties that his friends now demand that he disgorge every time that they see him. He is always obliging. At St. Louis he disgorged letter openers.

Large Denver Delegation

Denver with 14 men has the largest delegation ever attending a national meeting except when it was in Denver. Isadore Samuels, New England Mutual, National association trustee heads the delegation. Mr. Samuels arrived in St. Louis early, having gone to Peoria to speak to the local association.

Four From Home Life Head Office

Home Life of New York is holding a luncheon for its group during the week. The head office contingent consists of Vice-president C. C. Fulton, W. P. Worthington, superintendent of agencies; Francis Low, field assistant, and John F. Walsh, of Chicago, middle western superintendent.

Walter Jenkins, who did such an outstanding job at both the Houston and Denver conventions, was again the song leader. He and his wife, who has a beautiful soprano voice, also gave a number of solos. Mr. Jenkins introduced a new song, "God Bless America," which became virtually the theme song of the convention.

Reliance Life Luncheon Honors Vesser's Big Month

Reliance Life is holding a luncheon Thursday at the Missouri Athletic Club. This will be in the nature of a recognition of the splendid record of the St. Louis agency, headed by Frank Vesser, which was the winner in the August President Braun production endeavor. Eighteen Vesser agents produced 132 applications for a total of \$339,000. The head office is represented by Vice-president H. T. Burnett and J. F. Johns, superintendent of agencies, eastern division.

Pan-American Life Conference

The Pan-American Life held a divisional agency convention in St. Louis last week and a number of those in attendance stayed over for the National association meeting. Frank J. Mesman, assistant manager of U. S. agencies, and Frank T. Limont, superintendent of agencies, were among those from the home office.

About 100 were at the Pan-American conference.

H. J. Hughes, field supervisor, was also present. He is a brother of E. W. Hughes, Chicago general agent of Massachusetts Mutual.

Evans, Kirkpatrick on Hand

Ohio National Life head office is represented by Vice-president John H. Evans and E. E. Kirkpatrick, superintendent of agencies.

Connecticut General Represented

Vice-president F. H. Haviland and A. A. Drew, assistant superintendent of agencies, are at St. Louis from the head office of Connecticut General Life.

Less Emphasis on Closing and More on Opening Urged

Never Give Up Trying to Close, Says Milton Sherman

Persistence in closing and eliminating the term as a mental hazard increased the production of Milton Sherman, Buffalo general agent Connecticut Mutual Life, from less than \$100,000 in his third year in business to a quarter million in the next year and nearly a half million in his fifth year. He attributed his success to his decision "never to leave the prospect without asking him to buy and asking him enough times and fervently enough until I felt the perspiration roll on the small of my back."

"I may close a case without the presence of that physical phenomenon, but I never give up trying without experiencing it. I recommend it to all men of no greater ability than my own. Get hot—heat generates power—even the prospect enjoys contemplation of power."

Discards Closing

"The improvement in my performance dates to the time when I discarded 'closing,' as such, from my mental vocabulary."

"For some unaccountable reason 'closing' has a mysterious significance and has been given more thought than any other phase of the sale. Which, in turn, results in two situations: undue neglect of other phases and an inferiority complex at the time of closing, because the moment has been formidably built up."

"When I quit thinking of closing as the one phase that produces business, I quit laying emphasis on it. It became far less important than the steps of the sale that precede it—in fact, the least important. I quit fearing it, it became a tool instead of a capricious master."

"Like all of you I read of many closing tricks and practiced some of my own from time to time. They are spectacular—on rare occasions even indispensable—but they are tricks just the same. For the most of our work they are just so much bologna."

Real Problem Opening

"Given a good case, anyone with a life insurance license can get it. We all know what our real problem is—it is not closing, it is opening. We call it prospecting and don't like it because prospecting, unlike opening, is too much like sifting so much dirt to find a grain of gold."

"Thus if we honestly submit to the formula that a case must be opened before it is closed, that a case is opened for no other reason except to be closed, then the practical application of the formula makes the opening and closing not only a continuous process but at times almost a simultaneous process."

"To me, therefore, the closing begins with the introduction to the man, because everything I say to him from the moment of introduction is motivated by one thought, guided by one practice—to say nothing that will defer, let alone impair, the sale."

How He Gets Prospects

An effective method of getting names of prospects from his policyholders is used by Mr. Sherman. He drops in and says: "Sam, whom would you recommend to me as a surgeon?"

"My policyholder becomes solicitous of my health. I assure him there is nothing wrong—just in case, you know."

"So I get the doctor's name, but he is not the real prospect I am after, though it's a lead."

"Now, Sam, would you recommend

him to so-and-so?"—and I mention the name that really interests me.

"Sure, I would recommend him to anybody."

"It's interesting to hear you say that without a moment's hesitation, because it proves three points: you want your friends to enjoy the best, you favor those who serve you well, and you know instantly the one who knows his business. On that basis and that basis only will you please write a letter to so-and-so recommending me? But don't do it unless you are satisfied with my services and ability 100 per cent."

"I don't like to send a life insurance man to my friends."

"I don't blame you—I would not either—and I should have made it clear that I am only suggesting that you certify to

these three facts: (1) That you are satisfied with my services, if you are. (2) That you like to be of help to those who need it. (3) That you know good service when you see it. That's fair, isn't it?"

"Under no condition would I want you to suggest that any one buy from me. Why don't you just call him up right now and say: "Charlie, Sherman asked me for an introduction to you and in my opinion it will pay you to know him. He is in the life insurance business, and he really knows his stuff."

"In the last 10 or 12 years it failed to work in but two instances—one was shamed into doing it after all, and the other apologized every time he saw me for about three years."

"Then my friend gives me a picture of the man—an idea of the family re-

quirements, income, etc. I ask for advice. What does he think the man should provide—how much should he put aside for insurance annually—would so much cramp him?"

"Because I ask for advice I get information, encouragement and a promise of help if the opportunity is available."

Establishes Five Points

"I then call on the prospect. The minute we get down to business the closing begins. First of all I attempt to establish these five points: that there are only two sources of income—earned and investment; that most of our income is earned; that it is ultimately lost; that whenever the loss occurs it is invariably premature; that after it occurs it leaves us to the mercy of investment income.

(Continued on Page 40)



Portals of Opportunity

Entrance to New Home Offices of
THE FARMERS & BANKERS LIFE
INSURANCE COMPANY
WICHITA, KANSAS

Speaks Before Million Dollar Round Table

Denis B. Maduro, counsel for the New York City Association of Life Underwriters, noted insurance attorney and authority on tax and estate problems, who made a big hit at the Million Dollar Round Table last year with his presentation of those problems, was asked to return again this year and took up practically the entire afternoon session with his talk on "Your Client Has the Right to

Know," and answering questions on specific cases that were propounded by members of the Round Table.

George Gruendel and George L. Grimm, Northwestern Mutual Life, Chicago, arrived on Mr. Gruendel's cruiser launch. They left Chicago Saturday morning, went down the canal to Joliet

and from there on the Illinois river to the Mississippi. They stopped at La Salle Saturday night and Beardstown the second night.

Majority of General Agents Started Young in Business

In a survey presented to the managers' section, H. M. Faser, Jr., Boston general agent Penn Mutual Life, found out of the 42 general agents and managers in Boston that 75 per cent entered life insurance under age of 30 and that 50 per cent of these entered business under age of 23. Forty per cent entered one year or less out of college. Seventy-five per cent started on a 100 per cent commission basis and 15 per cent on 100 per cent salary. Forty per cent had incomes under \$2,000 the first year.

Statistics on 85 general agents of one large company showed 80 per cent entered the business under age 30, of which 60 per cent were under 23. Forty per cent were one year or less out of college. Seventy per cent started on 100 per cent commission and 10 per cent on 100 per cent salary. Sixty per cent reported incomes under \$2,000 the first year.



D. B. Maduro

has the Right to

Know," and answering questions on specific cases that were propounded by members of the Round Table.

George Gruendel and George L. Grimm, Northwestern Mutual Life, Chicago, arrived on Mr. Gruendel's cruiser launch. They left Chicago Saturday morning, went down the canal to Joliet



Consistency

★ The National Association of Life Underwriters, for 50 years has afforded consistent effort toward the institution of Life Insurance.

★ The American Home Life has likewise followed a policy of consistency

- ... in management methods
- ... in agency practices
- ... in fair treatment of policyholders

★ is one of the reasons for the continuance of American Home Life's successful records of operation.

★ Again in 1939 our field workers are demonstrating their loyalty to this company, in again showing, as they have in the past 5 years—increases in paid production that is increasing our insurance in force account.

★ In response, the American Home Life's executives seek to show appreciation of these efforts with close, personalized and interested cooperation with each individual in the field.

★ *There are real values for Kansas and Missouri agents in representing a company with this genuine "agency attitude."*

★ Address Agency Inquiries to Frank J. Seitz, Director of Sales

The AMERICAN HOME LIFE INSURANCE COMPANY
TOPEKA, KANSAS

W. M. HOBBS, President

President Johnson Reviews Objectives and Results

Urge Association to Be Prepared to Defend Agency System

The objectives and accomplishments of the National association during the past year and the situation resulting from the federal investigation of life insurance, were reviewed by President Holgar J. Johnson. He asked the association to be prepared to take action if the agency system became endangered. On its 50th anniversary the organization has reached an all-time membership high of 27,445 members, representing 338 local associations, Mr. Johnson reported.

During his administration Mr. Johnson traveled throughout 44 states, visiting associations and meeting with the leaders and company officials and insurance commissioners in the interest of the association.

"The objectives this year dealt with the association's responsibility to the agent. We have tried to do those things which will bring to the agent the prestige to which he is justly entitled because of the part that he plays in the social and economic life of his community.

Must Earn Prestige

"In my various talks before local associations, I have tried to impress upon our agency organization the fact that if they wish to attain the prestige to which they are justly entitled, they must not assume that they are entitled to it; they must earn it. I hope we have been able to demonstrate the fact that the agent is entitled to it by virtue of the part that he has played in the institution of life insurance. The very fact that through the agent, America has been able to put in force 70 per cent of the world's insurance with 7 per cent of its population, indicates quite clearly that the American agency system which has been the distribution medium of life insurance in this country has had, its effective result; and the keystone in that agency system is, of course, the agent. It is he, after all, who has been primarily responsible for this large volume of insurance, which at least begins to approach in some degree adequate protection of the American people, through the principle of self-determination and individual initiative.

"In addition to emphasizing the agent's responsibility, we have tried wherever there has been an opportunity to talk with the company executives to point out to them the part that they must play in bringing to the public a better conception of the part which the agent plays. I think I can honestly say that our companies, by and large, are beginning to recognize and, in many instances, have recognized their responsibility in helping the public to a better understanding of the part played by the life insurance agent.

Institute Is Step Forward

"One of the most encouraging things in this respect during this past year was the organizing of the Life Insurance Institute, which has as one of its major objectives trying to bring to the public a keener conception of the part played by the agent in the distribution system of the life insurance business.

"The general agents and managers likewise have a very important part to play. My own personal belief is that the general agents and managers, by and large, have a greater responsibility and

a greater opportunity as a key functioning part of the agency system to bring to the public a more sympathetic understanding of the part played by the American agent. But this carries with it a responsibility to eliminate those practices which in the past have caused some misunderstanding, or, may I put it this way, some lack of appreciation of the part played by the agent in the institution of life insurance.

"There is a much more universal use by agencies and companies of selective tests and procedures as applied to men and women entering the life insurance business, and I would encourage a continuation and development of this with the thought that it will have its effect eventually on the public attitude toward the life insurance business, for it will help raise the standards of those entering the business.

"The agency practices code is serving as an important adjunct toward making all of us aware of the necessity for raising the standards of performance of men and women within the business.

Promotes Education

"The association has always stood for and now takes an important part in promoting the educational opportunities that may be available for life underwriters.

"The association must continue to support and promote these activities which tend toward the producing of better agents for better service to the public.

"Another objective has been our responsibility to the public. You will recall that this objective read, 'In full realization that we have a responsibility to bring to the public a further knowledge of legal reserve life insurance, we propose among other things to discharge more fully our obligation to see to it that the life values of the American people are more adequately insured.'

"In spite of the situation that exists in this country, with America owning 110 billions of life insurance, there still remains a vast gulf between the economic value of human life in America and the amount of insurance which is now in force, for with the 110 billions referred to, and attempting to make some kind of evaluation of human life values, we come to the realization that we have not insured at the present time more than perhaps 6 per cent to 8 per cent of the economic value of human life. When we realize that the average amount of insurance is only \$1,700 per individual, we face the fact that there still remains before the life insurance business a tremendous job of insuring more adequately the life values of the American people.

Study Public Relations

"We are becoming more and more conscious of our relationship to the public. In spite of the fact that we may underestimate what the public really knows about life insurance, we have a responsibility, and so do our companies, to see to it that the public gets a better conception of the manner in which our life insurance companies are operated and the manner in which the institution of life insurance functions.

"If we had been more conscious of some of these things in the past years, it might be that some of the misunderstandings which have arisen and which we are now in the process of explaining might not have arisen. We as an association, in an attempt to reorganize our responsibility to see to it that the public gets a better picture of what the institution of life insurance is and does, have tried to do this through a series of pamphlets distributed by our membership, and it is our hope that we may continue this process and thereby cause the public not only to continue the great faith which they have in the institution of life insurance but to have a better understanding of that institution which is providing them with their security through their own personal initiative.

(Continued on page 50)

Agent Should Make Himself As Good As His Product

"The life insurance man of today should be fired with the ambition to make himself as good as his merchandise," declared Gale F. Johnston, divisional sales manager Metropolitan Life, St. Louis. "Our product has been tested and found not wanting. We market the greatest investment and security product that human ingenuity has yet devised.

"American business today is dependent upon selling. It is salesmanship that expands markets," Mr. Johnston said. "It informs and educates people and brings home to them the benefits and satisfactions which they can derive from the product or service offered for sale.

"We are offering a better product today and at a lower cost. Life insurance has been continuously improved—policies liberalized, benefits added—and the cost has been reduced.

Must Be Sold Personally

"The individual American, generally speaking, must be sold personally on almost everything he buys. The salesman's job is to relate people's needs and desires to products and services offered for sale. This calls for studying not only the product but also the potential buyer of the product."

Life insurance always has required personal selling, Mr. Johnston pointed out. "Rarely has it been bought by the customer without much previous educational effort. Life insurance is an intangible and its benefits come in the uncertain future, hence people are inclined to overlook its importance in the effort to get the things which are more tangible and particularly those which give more immediate enjoyment. The public is educated to direct, personal selling of life insurance. The life insurance salesman has spoken so well the language of the public, has so well analyzed the needs of the American individual and offered counsel so basically sound, that over half the population of our country have endorsed our product in the strongest possible terms by purchasing it.

Over the Counter Fails

"There have been numerous efforts to merchandise life insurance without salesmen. But the results produced by these 'over the counter' methods of selling life insurance are very unimpressive," Mr. Johnston said.

"These experiences permit only one conclusion—that without agents on the job, and an agency system behind them, the vast American estate represented by life insurance would not be in existence today.

"The contribution that the individual agent makes to American life depends on work—both the quantity of it and the quality. Assuming that each new policy issued represents a sale of life insurance, we find that there were 19,600,000 new life insurance sales made in the United States in 1938. Nearly 4,000,000 of these were ordinary and about 15,600,000 were industrial—with a relatively small number of group policies. With approximately 200,000 agents, it is evident that each one averaged about 98 sales for the year—almost two sales a week. The average sale represented \$584 of increased security for some person or family. This low average amount per sale is of course due to the fact that industrial sales, the smallest of policies sold, were far more numerous than ordinary and so bring down the average. Each ordinary sale averaged \$1,782 of protection, as against \$243 for each industrial sale."

One Hour Represents \$44

Using the Thierbach formula that it takes 40 hours to produce 40 calls, from which 14 interviews will result, from which one sale can be made, Mr. Johnston said about 160,000,000 hours were spent in ordinary selling in 1938. "This

means that every single hour spent in ordinary selling represented more than \$44 of protection for some family. With people dying daily without any life insurance protection at all, or a wholly inadequate amount, and every hour worked meaning \$44 more of protection for somebody who needs it, the life insurance salesman should have a strong incentive to put more hours into his work.

"The best method of criticism is when

one criticizes or checks up himself," Mr. Johnston said. "There are numerous grounds upon which we should criticize ourselves:

"First. The life insurance written in 1938 was less by some 11 per cent than in 1937. Yet there were more idle funds in the banks than at any time in our nation's history. Consequently we failed to fully satisfy the needs of the buying public for a safe and sound investment product.

"Second. We talk too much and listen too little. If we are to achieve professional standing, we will question first, then diagnose and prescribe.

"Third. We fail to use our capacities. The great psychologist, William James,

said that the average human being uses 10 per cent of his brain power. If this indictment applies to us, and probably it does, we should correct it. Life insurance selling is a thinking business. It requires brain work from the beginning to the terminal date of the life of a contract sold.

"Fourth. Our ordinary insurance salesmen do not work as hard as industrial men. The industrial man knows how to make a large number of calls, without which there is no selling. From morning until evening he makes one call after another. To be sure, only a part of these are for sales purposes, but if the ordinary man could get only a percentage of the interviews of the industrial man his

(Continued on page 42)



"I SELL LIFE INSURANCE"

"... AND when I say *sell*, that's just what I mean! It's hard to understand why I'd have to sell protection to *any one*, but I do. Here is something that nearly everybody needs, seldom has enough of, and yet most always has to be *persuaded* to buy.

"Doesn't make sense? No, but I'll tell you why I didn't give up years ago: *I never yet sold a policy to any one who wasn't glad after he bought it.* That's why I can take the rebuffs and postponements. I know I'm doing a service that's always appreciated in the end.

"Another thing, there's a lot about life insurance these days that calls for a thorough knowledge of the subject. I've devoted my life to it, and yet I have to study all the time to keep abreast of developments. My company encourages all of us to do this. We New England Mutual representatives are in this business for keeps, and we've certainly got to know our stuff.

"For example, whether I sell you any insurance or not, I'd like to tell you about a new service that we call 'Co-ordinated

Estates.' The other day, by using this plan, I showed a man how to increase the total payments under his insurance estate by 31%—without added cost and without changing a single policy. Maybe I can do something of the sort for you. There's no charge for trying, and there's no obligation.

"No, I don't expect you to call me up. That would be asking almost too much! But when I call you up, all I want to hear is, 'Sure, come on over and co-ordinate!'

"I hope to be seeing you . . . and soon!"

NEW ENGLAND MUTUAL Life Insurance Company of Boston

AGENCIES IN PRINCIPAL CITIES FROM COAST TO COAST

GEORGE WILLARD SMITH, PRESIDENT

THE FIRST MUTUAL LIFE INSURANCE COMPANY CHARTERED IN AMERICA

This advertisement appears as a full page in the SATURDAY EVENING POST of September 23, and as two columns in COLLIER'S of October 7 and NEWSWEEK of October 30.



A SALUTE to N. A. L. U. FROM PEORIA THE HEART OF ILLINOIS

LESTER O. SCHRIVER

General Agent

Aetna Life Insurance Co.

301-305 S. Jefferson Ave.

REULING & WILLIAMSON

General Agents

MASSACHUSETTS MUTUAL

LIFE INS. CO.

Sixth Floor, Lehmann Bldg.

CLIFFORD R. GARRETT

General Agent

**THE NORTHWESTERN MUTUAL
LIFE INS. CO.**

706 Commercial Bank Bldg.

FREDERICK A. SCHNELL

Agency

The Penn Mutual Life Ins. Co.

Suite 600A
Commercial Merchants Bank Bldg.

Chester T. Wardwell, C.L.U.

General Agent

**THE CONNECTICUT MUTUAL
LIFE INS. CO.**

Suite 620-624
The Central National Bank Bldg.

W. LEE MULLEN

Branch Manager

SUN LIFE ASSURANCE COMPANY

of Canada

935 Jefferson Bldg.

W. S. COCHRANE

General Agent

NORMAN E. ANDERSON

Production Manager

The Mutual Benefit Life Insurance Company of Newark, N. J.
1007 JEFFERSON BLDG.

Women Build Record of Capable Work in Field

(Continued from Page 8)

tremendously influential in determining the standards to be met by women who enter our business.

It's not only toward the future status of women underwriters, however, as I have said, that women can make a specific contribution to our business, for through your contacts in selling to women you have a marvelous opportunity to do a good public relations job.

The same situation holds true in regard to selling to women that holds true in regard to selling by women. We find early references to individual policies bought by women as we find early references to individual women underwriters. I even came across a leaflet written about a hundred years ago with the alluring title "Poor Scotch Old Maids and How Not to Become One," the point of the argument being that annuities for girls, if started when they were born, would eliminate the possibility of their being "poor" in later years even if they didn't have husbands to provide financial support. Only within recent years, however, have sales to women contributed an important part of our total production and the reasons for this are not hard to explain.

Today's Capitalists Are Women

Only within recent years, for example, have newspaper articles suggested that cartoonists may have to change their pictures of "capitalists" from men with high silk hats to women studying ticker tape because so much of the world's wealth is in women's hands. It's only within recent years that we find reports such as one recently issued by the U. S. women's bureau showing that among 43,000 working women in various cities who live at home, 10 per cent were the sole support of their families. It's only within recent years, too, that the number of women gainfully employed in this country has risen to 22 per cent of the total number of workers.

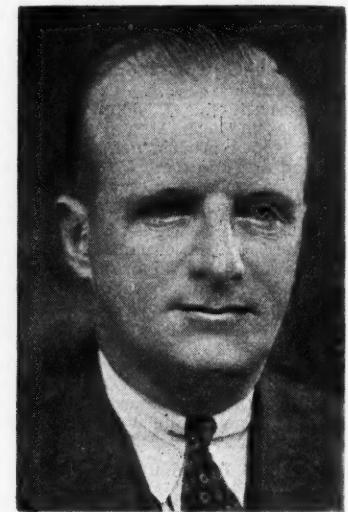
In view of these statistics, it's not surprising to find a survey of 20,000 life insurance sales among 125 companies showing that one-fourth of the buyers were women and that their purchases accounted for one-seventh of the total volume. Nor is it surprising to see individual company records showing a 100 per cent increase in the number of policies bought by women as compared with the number they bought 20 years ago.

The figures showing increased purchases among women can lead to but one conclusion, namely, that a lot of women are being educated to the value of insurance right now. Since the type of education they receive will depend on the underwriters with whom they come in contact, it's not necessary to explain to you what part you can play in building public opinion.

In connection with the subject of public opinion, I'm not unduly alarmed at the criticisms which are being raised against various phases of our business at the present time. I am very much concerned, however, that our business shall be conducted in such a way that there may be no justification for criticism. And, since some of this criticism is centered on selling practices, it's not hard to visualize the contribution you can make if, in cultivating the relatively new field of insurance for women, your recommendations represent sound, intelligent advice based on a sympathetic understanding of the problems involved.

Chairman Alberta Allen at the women's session created much merriment when she was reading the topics for discussion and started saying "Cheating in the business world, etc." instead of "Creating".

Discusses Personal Conference with Agent



JOHN A. RAMSAY, Newark
Connecticut Mutual Life

Vice-Presidential Contest Is the Burning Topic

(Continued from page 5)

they are supporting Cleveland in its invitation to be convention hosts next year.

The contest for the 1940 convention city is exciting and colorful, but is overshadowed insofar as interest at the moment is concerned by the Wright-Witherspoon struggle.

Philadelphia wants the 1940 convention and is staging an expensive and most effective demonstration of its desire here in St. Louis. Some 50 Philadelphians are on hand, working for their city, under the general direction of Philip F. Murray, Penn Mutual. Colonial dames and colonial soldiers are everywhere to be seen at the headquarters hotel and hundreds of liberty bells are being attached to lapels.

The Cleveland campaign is in charge of H. G. Wischmeyer, John Hancock Mutual. What Cleveland lacks in showmanship it is making up by the persistence of its campaign committee, which is having plenty of heart-to-heart talks with the delegates. Insurance Superintendent Lloyd of Ohio will speak at the Thursday session for Cleveland.

The Cleveland people say that if they do not win the convention for next year, they do not intend to repeat the invitation for the following year, because of the expense of the campaign. The cost falls entirely on the general agents in Cleveland because there is no company home office in that city.

In addition to these major contests, the campaign managers for the various candidates for trustees are having a busy week, trying to get the attention of delegates to these side issues. There are six trustees to be elected, with only about seven avowed candidates.

Mosler New Head of Million Dollar Round Table

(Continued from page 6)

"No government can do it for the people. They must do it for themselves. There may be a better way, but no one so far has found it."

Charles T. Davies, 67-year-old retired hosiery manufacturer of Wyoming, Pa., who not only has \$1,000,000 of paid-up life insurance himself but has been a factor in the sale of \$1,000,000 a year for the past four years, told why he bought life insurance.

"Life insurance is the best builder of self-respect that there is in the world," he said. "Life insurance doesn't insure

my life. It insures the things I want to do.

"Nobody ever sold me life insurance. I buy life insurance as I do my cigars."

His first policy was for \$2,000 and he took another one for \$3,000 a year or so later. He said he had never been solicited after that time by the company in which he took those two policies, and commented on the fact that its agent had missed a good bet.

"It's always easier to sell a satisfied policyholder than to dig up a new one," he added.

Life Policy vs. Securities

He told the story of his purchase of a \$500,000 single premium policy in 1928. At that time he secured from a financial expert a list of "safe" securities which would have cost \$315,000, "so as to find out what not to buy." Instead he paid \$305,000 for his \$500,000 policy. At intervals since that time he has checked up on their relative value.

In 1932 the securities on this list were worth \$53,310, while the policy had a guaranteed cash value of \$311,000. Last April, when the depression was "all over," the stocks were worth \$101,000 and the policy \$356,000. With the war boom now on in the stock market, the securities, checked as of Tuesday morning, are worth \$128,247 and the policy still \$356,000.

The ownership of life insurance improves a man's physical as well as his mental well-being, Mr. Davies believes. "I took life insurance to keep me well," he said. "My life insurance has kept me straighter than my religion."

Elliott Roosevelt, son of the President, owner of a string of Texas radio stations and radio commentator, who is a close personal friend of Chairman Sanborn, spoke at the luncheon on "Buy It Young —It May Be Too Late."

The entire afternoon session was given over to Denis B. Maduro, counsel for the New York City Life Underwriters Association, noted insurance attorney, tax and estate authority, who spoke on "Your Client Has a Right to Know," and then answered questions from the floor in regard to specific problems which the members of the round table have encountered in their work.

The interest in the cases which Mr. Maduro presented was so intense that an additional session was arranged for Wednesday morning, at which those who were particularly interested in such matters could continue the discussions.

Just prior to adjournment, Jack Lauer of Cincinnati, last year's chairman, who also acted as chairman of the nominating committee this year, was presented an enormous trunk, which was lugged into the meeting room and deposited on top of the speakers' table. Chairman Sanborn said he had consulted Mr. Lauer's wife and found that was the thing he particularly wanted.

More Than 100 at Session for Women

(Continued from page 8)

Kuhn, Equitable Society, New York, substituted for her. She gave her audience an option of two subjects and the vote was for a repetition of the talk she had given the day before at the Quarter Million Dollar Round table.

In the afternoon Dr. Pearl Thompson, St. Louis, gave an interesting discussion on the psychological factors of success.

Sara Frances Jones, Equitable Society, Chicago, presented a panel discussion. Miss Jones started with the Equitable 41 years ago when she was 16 as a substitute stenographer. She has always qualified for the women's quarter million dollar round table. She discussed personal emotion and how it encourages selling life insurance.

Four St. Louis women who had bought life insurance from women told of their reasons for purchasing the protection. Eva M. Mills, whose husband was a life insurance general agent before he died,

Brings Greetings from Canadian Association



W. C. LAIRD

W. C. Laird, London Life, Toronto, president of the Canadian Association of Life Underwriters, who is an honorary vice-president of the National association, extended greetings from his association both at the national council meeting Monday and at the opening of the general session Wednesday afternoon. He sat at the table with the National association officers throughout the council meetings.

He was accompanied by A. Gordon Nairn and L. N. Dunstall of the Canadian association headquarters staff.

Officials of the Canadian companies in attendance at the convention include A. Kinch and J. A. Broadbent, Manufacturers Life, and H. A. H. Baker, Great-West Life.

Provident Mutual Dinner Honors Sam Ellis, 50-Yr. Man

Provident Mutual is giving a dinner Wednesday evening. It will be in the nature of a testimonial for Sam Ellis, Cincinnati general agent, who is completing 50 years of service. A larger function is being given next Monday evening in Cincinnati for Mr. Ellis. The Provident Mutual home office is represented at St. Louis by F. C. Morss, manager of agencies; W. D. Cross and M. L. Williams, assistant managers of agencies, and Henry Bossert, manager of research.

provided a life insurance program, including education, for his oldest son who was 15 at the time of his death. Mrs. Mills then worked out a similar program for her youngest child. She said that she bought and did not have to be sold her policies because she had lived in a life insurance atmosphere.

Mathilda P. Welsh, a business woman, told how she had bought business insurance to save money and to protect those who had aided her in her enterprise. Another business woman, Mildred Folkes, bought insurance because of economic necessity, first for the protection of her mother and then to protect her home which she purchased. A policy loan carried her through a serious illness. She now has an annuity to provide for old age.

A bit of drama was added to the program when Billie Lewis was pushed in a wheel chair. She had bought annuities and disability policies and she has been receiving \$300 a month since she became disabled nine years ago. Vera Reynolds, Equitable Society, Chicago, and Helen B. Rockwell, National Life of Vermont, Cleveland, told of several claim experiences.



STATE CAPITOL—SPRINGFIELD

GREETINGS N.A.L.U. FROM ILLINOIS' CAPITAL

H. M. SOLENBERGER

General Agent

The Mutual Benefit Life Ins Co.
of Newark, N. J.

601 Ferguson Building

JOHN L. TAYLOR

Manager

The Mutual Life Insurance Co.
of New York

Myers Building

E. E. CANTRALL

General Agent

NORTHWESTERN MUTUAL LIFE
INSURANCE CO.

Ferguson Building

FRED T. BOLDON

Manager

Home Office Agency
THE FRANKLIN LIFE INS. CO.

804 Myers Building

A Salute to Our National Organization

SPRINGFIELD ASSOCIATION

OF

LIFE UNDERWRITERS

WELCOME N.A.L.U. TO OLD MISSOURI

and Greetings from Kansas City, Missouri

J. FRANK TROTTER

Manager

THE MUTUAL LIFE OF NEW YORK

An Aggressive Agency With Experienced Staff
for Western Missouri and Eastern Kansas

Fairfax Bldg., 101 W. 11th St.

CHARLES L. SCOTT

General Agent

MASSACHUSETTS MUTUAL LIFE INSURANCE CO.

Suite 608 Midland Building

SAM C. PEARSON

General Agent

THE NORTHWESTERN MUTUAL LIFE INS. CO.

Twelfth Floor, R. A. Long Bldg.

EDWARD G. MURA

General Agent

NEW ENGLAND MUTUAL LIFE INSURANCE CO.

1204 Bryant Building

ROBERT J. COSTIGAN

Missouri Branch Manager

BUSINESS MEN'S ASSURANCE COMPANY

230 B. M. A. Bldg.

HERBERT A. HEDGES

General Agent

EQUITABLE LIFE INSURANCE CO. OF IOWA

(Since 1867)

Suite 640-50 Board of Trade Building

E. A. HASEK

General Agent

NATIONAL LIFE INSURANCE COMPANY OF VERMONT

23rd Floor, Bryant Bldg.

Wayne Clover and Associates

THE PENN MUTUAL LIFE INSURANCE CO.

(Established 1847)

2107 Bryant Building

KANSAS CITY AGENCY

KANSAS CITY LIFE INS. CO.

UNIVERSITY CLUB BLDG.

914 Baltimore Ave.



CLAUDE V. COCHRAN
Manager

**GENERAL AMERICAN LIFE
INS. CO.**

715 Commerce Building

The Prewitt B. Turner Agency

**HOME LIFE INS. CO.
OF NEW YORK**

Planned Estates Preferred Life

Associates:

Robt. Searle—Tom Stryker—Bill Callaway
Jack Turner—Larry Eckerle—Frank Nelson
Gene Cotton—Ralph Browne

1811 Fidelity Building

R. B. JONES & SONS

General Agents Life Department

A. E. HOY
Manager

**TRAVELERS INSURANCE
COMPANY**

Hartford, Connecticut

301 W. Eleventh Street

J. R. FARNEY

*Director of Agencies
Western Division*

**THE OHIO NATIONAL LIFE
INS. CO.**

Missouri—Kansas—Oklahoma

1111 Bryant Building

A. E. MYERS
Manager

**THE GUARDIAN LIFE INSURANCE
COMPANY OF AMERICA**

902-3-4 Sharp Building

Albert Drake and Associates
Kansas City Agency

**STATE MUTUAL LIFE
ASSURANCE CO.**

Suite 923-929 Bryant Building

HOWARD A. AUSTIN

Manager

Western Missouri and Kansas

**THE PRUDENTIAL INS. CO.
OF AMERICA**

Home Office: Newark, N. J.

Suite 1506 Fidelity Bank Building

Sam P. Quarles and Associates

General Agent

**PROVIDENT MUTUAL LIFE INS.
CO. OF PHILADELPHIA**

1010 Insurance Exchange Building

Hildebrand Insurance Agency

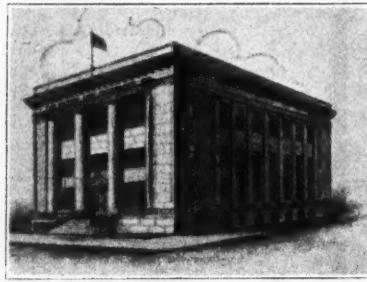
General Agents

Western Missouri and Eastern Kansas

**ILLINOIS BANKERS LIFE
ASSURANCE CO.**

2305 Bryant Building

Greetings NATIONAL ASSOCIATION of LIFE UNDERWRITERS



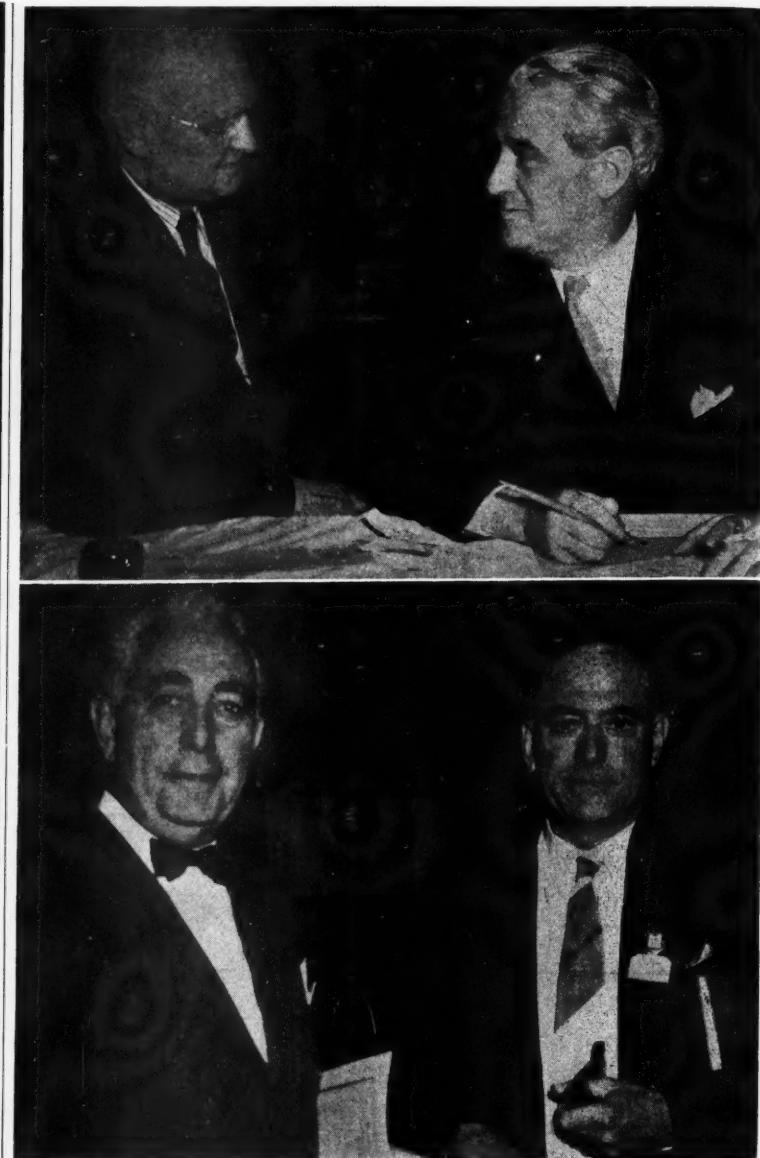
KNOW THE STRENGTH OF VICTORY

Let us tell you about the strong financial position of The Victory Life and the attractive General Agency openings we have available in Missouri, Kansas, Nebraska and Texas. Write to E. E. Shurtleff, Assistant General Manager.

The **VICTORY**
Life Insurance Company
TOPEKA KANSAS

James A. Allen, Pres.

W. J. Bryden, Secy. & Gen. Mgr.



Top row—F. C. Morss, manager of agencies Provident Mutual; A. E. Patterson, vice-president Penn Mutual.

Second row—J. W. Clegg, Penn Mutual, Philadelphia, past national president; M. H. Stearns, John Hancock, Providence, R. I.

Group Sales Work Broadens Contacts

Opportunities for selling group insurance and salary savings were outlined by Miss Sarah B. Smith, Equitable Society, Fairmont, W. Va., before the women's quarter million dollar round table.

"In selling group and salary savings the agent also gains by contacting executives of large organizations," Miss Smith said. "Very often you can get into an executive's office to discuss company matters when it would be difficult to get to see him about a personal matter. Of course, after you are in, it is a case, as always, of selling yourself and your service to the individual. In writing a group case you usually have to talk to several officials, and so are obtaining more prospects for individual policies as well as group. And in servicing a group after it has been written you will continue to make friends and so get new prospects.

"When we get the franchise to write salary savings, we really are opening a little gold mine. Often an office is put at the disposal of an agent, which really advertises him among the employees, the company thus placing its approval upon his service. Then the agent has a company full of prospects just waiting to be serviced. You don't have to worry about collecting premiums, as the company

does it for you, and by payroll deduction makes it easy for the employee to pay his premiums and lessens chances of lapse."

Mutual Life Takes Cordial Interest in Proceedings

Leaders in the association are gratified that Mutual Life of New York officially is taking a cordial interest in the convention and the association. The head office is represented by Vice-president George A. Patton; G. A. Sattem, superintendent of agencies, and Roger Hull, assistant superintendent of agencies, and there is an unusually large number of Mutual Life general agents at the meeting. Mutual Life in the past has not participated so actively in the proceedings, although a number of Mutual Life representatives have always been association leaders.

Dinner Is Arranged for the State Mutual Life Group

State Mutual Life is holding a dinner for its representatives at the convention. About 15 general agents are in the city. The head office contingent consists of Stephen Ireland, vice-president; Jason E. Stone and Carl Litsheim, agency assistants, and Donald Mix, manager of conservation.

Sales Champions Follow Sport Rules, Says McCord

"Selling is a game and the rules and principles followed by champions in sports are the same rules and principles that all successful salesmen follow, whether they know it or not," Jack McCord, Los Angeles, general agent Columbian National Life, declared.

"Many of our outstanding salesmen and leaders in business frankly admit that their only secret of success is that they have always been so enthusiastic about their business that they made a game of it.

"Positive thoughts are powerful, aggressive, fearless fellows and a few of them can push all the negative thoughts in the world right out of the park. Negative thoughts are weak, sordid, morbid, depressing little sneaks, but once out of our minds, confidence comes and the confident, fearless salesman becomes an optimist with unbounded enthusiasm to do the things worthwhile and he does them a lot of the time.

Positive Thoughts Help

"Give positive, inspiring, refreshing thoughts a chance to help your mental attitude.

"A lot of people believe in luck and so do I. I am a firm believer in the proven theory that you always have good luck if you work hard enough for it and that the harder you work (intelligently), the more luck you will have.

"Pace setters in insurance selling are good examples of what can be done when good men, well trained, push fear in the face and start one-man shows of their own all over the country. Buyers like the way they play the game and buy large amounts of insurance.

Pay the Price

"Salesmen who stand out have paid the price and they have fought a good fight in raising their heads above the level of the crowd—they are better men.

"Perfection in performance and concentration on each play as it comes up develops champions in sport and this same concentration on the next interview will make for success in selling. The next step in an interview, the next interview, the next day, week and month—the one just coming up, is the most important of all. Forget the past—let the future take care of itself, but concentrate on what you are doing now. Keep your mind on the game and focus it so keenly on the work to be done that you will forget all else, and you will be near the top of the pile in your company.

Leaders are Aggressive

"Leaders are positive and aggressive—inevitably on the offensive—seldom on the defensive. They come out fighting and have learned from experience that the best defense is a good offense.

"Colorless, lackadaisical salesmen bore prospects to death, muddy the water for good salesmen and seldom sell enough to make a living. Aggressive salesmen radiate enthusiasm and are welcome wherever they go. They go into the field with their heads up and refuse to be held back or kept out of offices of hard-boiled prospects and at the end of the year they realize a handsome profit from their work because they took a chance.

Learn from Lost Sale

"Salesmen can learn many things worthwhile from a lost sale and every good agent knows that redoubled efforts will close a lot of sales. The time to dig in and fight harder than you ever fought in your life is after you have lost a sale. There is nothing like it for keeping a salesman in production.

"I think a sale is a race. Any salesman can get from his home to his office. Let's call this the first quarter. Most salesmen can manage to get up enough nerve to get from their office to the office of the prospect—the second quarter. Here is where the contest begins. As

the salesman enters the presence of the prospect, he must turn on the heat and whether he comes out with an application—a winner, as it were—depends to a large extent on whether or not he got his second wind—the strength to carry through the interview, overcome all objections and influence the prospect to buy. Too many salesmen give up too soon. They do not hang on in the interview long enough to get their second wind in selling. They never become champions or the leaders of their companies.

Someone Calls Him "Bill"

"Too many salesmen do a grand job with the small buyer, only to develop an inferiority complex when they find themselves suddenly and unexpectedly in the presence of some important executive. Keep ever in your mind the thought that someone calls him 'Bill' and that he is probably at the top because he is a good fellow. Go in and see him. He'll probably listen to your

story and you will find him human. And what if he isn't? You're on the outside anyhow. An interview is an interview, whether it be with an office boy or an executive.

"A salesman may have all the education in the world. He may have a fine personality and contacts in abundance, yet he will fail unless he has courage and the keen desire to succeed, coupled with a willingness to work intelligently.

Learn Value of Averages

"Some day every salesman will learn the value of the law of averages. He will know that there is just as much fun and thrill in keeping a record of applications to interviews as the ballplayer has keeping his record of hits to times at bat. Yes, selling is a game, if you will let it be. When you fail to close a case, go on to the next interview with the knowledge and assurance that you will come home with an application at least once out of each four or five good interviews.

"Selling is a game, so enter into it with your heart and soul and your very being, give your company and your manager not one bit less than all you have. Do the thing you fear the most, keep your head up and your eyes open and you'll not break your neck. Think fast,

Publishers' Displays Constitute Colorful Feature

The displays of the various publishers on the mezzanine of the Jefferson constitute a particularly colorful convention feature this year. The arrangement is especially convenient for the publishers and those who are looking over the material.

The National Underwriter booth, at which are set up the many services and publications that are offered, is in charge of W. A. Scanlon, Roy W. Landstrom, and Albert Cutler, all of Chicago.

cut the alibis, never quit trying, set the pace, come out fighting and stay in there and keep hitting the ball day in and day out, good times and bad. and I'll make a bet with you that by the end of the year you'll be the happiest man in your town and a mighty successful one, too."

J. G. Blane, Pan-American Life general agent for Central America, and two of his agents, Fra. Alfredo Mesia and V. Varela, stayed over from their company convention for the national meeting. Mr. Blane has been attending the national meetings regularly since the Toronto gathering in 1930.

The Columbian National Life Insurance Company

FROM George L. Dyer Agency

St. Louis, Missouri (CITY)

TO Agency Department

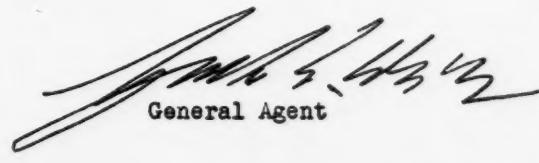
September 1, 1939 (DATE)

OFFICE Home Office

SUBJECT Advertising

Regarding copy for our N.A.L.U. advertisements in the tradepapers, as Chairman of the Host Association Convention Committee, I would like to thank everyone for cooperating so splendidly with us to make our "Golden Anniversary" Convention such a success.

What are your ideas?


General Agent

Mr. Dyer—
Why not use
this letter? L.L.H.
OK/ G.L.D.

G R E E



Human

Friendly

THE LINCOLN NATIONAL

MORE THAN ONE BILLION DOLLARS

HOME OFFICE

ITS NAME INDICATES CHA

INGS



Friendly



Sincere

LIFE INSURANCE COMPANY

DOLARS OF INSURANCE IN FORCE

FORT WAYNE, IND.



INDICATES CHARACTER

Definite Program To Bring Success Is Presented

Frank McFarlane, of Cleveland, Outlines Working Methods

A definite sales program which brings success was outlined by Frank L. McFarlane, Aetna Life, Cleveland. In 1935 Mr. McFarlane gave up a salaried job as assistant general agent to become a commissioned salesman so he devised the following track to run on:

General Program of Operation

"Record Book of my clients: Since the foundation of my business is the building of a large clientele, I want to have a positive record of who these people are. I consider only as clients those policyholders who will be buying more life insurance as time goes on, and will give me at least an equal opportunity to place this additional insurance for them.

"The purpose of this book is to furnish me with a positive follow-up on each client, so that I do not fail to take care of every phase of his life insurance and annuity program. These are the points that I check on each client:

- "1. Has a program of his life insurance and annuities been made?
- "2. Have I given to him a complete policy-record book?
- "3. Does his wife have adequate life insurance?
- "4. Is he in a position financially to buy insurance for his children?
- "5. Can business insurance be sold?
- "6. Does his company have group insurance?
- "7. A complete list of his incompletely insured and annuity requirements.

Reviews Book Each Month

"I review this book once each month, paying particular attention to those clients whose ages change two months in advance, and putting their case into my work schedule for the phase of their program that should be submitted to them.

"Policy Record for Clients: After I have completed the programming of my client's policies I like to deliver to him an attractive brief record, that he can readily understand, to show just how each policy is to function for the beneficiary named, a summary of the benefits his wife and family will receive and, also, a summary of the retirement income, that will be paid to him from all of his policies.

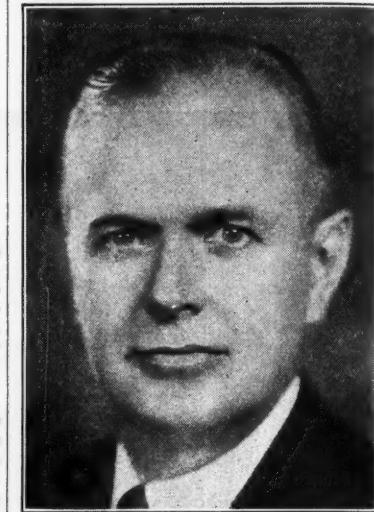
"Monthly Mailing Piece: After you have submitted your proposal there are prospects who do not always buy at the first attempts to close. There are some who I am convinced have a perfectly valid reason for waiting. I would like to see them periodically up until the time they have set to give my proposal further consideration. I might become somewhat of a nuisance if I dropped in once a month to keep up this contact, and it would take a terrific amount of time. To keep these prospects thinking of me I mail them something every month.

Friends Best Source

"Personal Friends: My friends are my best source of prospects. I haven't the slightest hesitancy to call on any of my friends no matter how intimately I know them. They will buy life insurance from someone and I am of the opinion that they'd rather buy from someone they know something about.

"My principal activity in prospecting is the making of new contacts at the two social clubs I belong to, my civic

48 Attend Million Dollar French Lick Party



H. K. NICKELL

Forty-eight participated at the pre-convention outing of the Million Dollar Round Table at French Lick Springs, Ind., commencing Friday. Most of the group crossed to St. Louis by bus Monday afternoon. H. K. Nickell, Connecticut General, Chicago, was in general charge.

One evening the group was guest of Lincoln National Life at a cocktail party at the golf club house at French Lick. Lincoln National executives present were President A. J. McAndless, Vice-presidents A. L. Dern and C. F. Cross.

The group played golf, skeet, horseshoes, and rode horseback. Max Matuoff, Mutual Benefit, Cleveland, was the golf champion, and Dix Teachenor, Kansas City Life, Kansas City, was the No. 1 skeeter.

Sunday morning the group gathered at breakfast to hear a talk by D. B. Maduro, prominent New York expert on trusts, taxes, etc.

activities, the three special groups I belong to, such as, a baseball league that plays indoor baseball once a week.

"I never approach any one particularly my friends, on the idea that I want to sell something. It is always on the idea that I would be glad to help them check over the insurance they have, to see if it is set up to do the things they have in mind that it should. I have never found any of them resentful of my calling when I am offering my services to them, to see if what they already own is functioning as best it can be made to do for them.

Two Referred Prospect Sources

"Referred Prospects: I have two principal sources for obtaining referred prospects.

"The McFarlane New Client of the Month Club: It is difficult for me to frequently call on my centers of influence to ask them for the names of new prospects, because of the fear of wearing out my welcome. Some of my centers of influence, however, think of someone quite frequently, and it occurred to me if I got up something a little different, with a catchy title, I might be able to get these names through the mail.

"With this idea in mind, I organized the McFarlane 'New Client of the Month Club', about two years ago. I first of all wrote a letter to each center of influence telling him I knew he was being sought after by many clubs, such as the 'Book of the Month Club', the Christmas club and many others, and he had just been elected to the 'McFarlane New Client of the Month Club'. I went on to explain what membership in this exclusive club meant. Following this an-



1st Day

NATIONAL LIFE CONVENTION DAILY, SEPTEMBER 27, 1939

29

nouncement, each month I mailed to this group a card to write in the name of a prospect. I listed on the card five suggestions to help them think of someone. This produced 121 leads in the first year. From these centers of influence and their referred leads I wrote \$243,634 of new business over a one-year period. During the first eight months of this year, from this source I have had 30 cases totaling \$223,000 of new business.

Frequent Checking Required

"This method requires frequent checking with the centers of influence to thank them for their leads. Also a general stimulating effort to the complete list is necessary about three times a year, so they do not form the habit of throwing the lead cards away.

"I like this 'painless' method of getting referred leads, but it doesn't as yet completely solve my problem of referred prospects.

"Center of Influence Reference Lead Master Cards: I have 66 centers of influence that give me leads. I have a card for each of these men on which I list the leads that they have given me. I find it very profitable to get out these cards every month and telephone everyone in this group to tell them just how I've been getting along with the people whose names they have given me. I always stress how valuable the use of their name was in getting a good hearing and, of course, my appreciation for the splendid cooperation they have been giving to me.

Two Effective Prospecting Plans

"Prospecting in Large Organizations: I have selected several of our larger companies in Cleveland, and I have worked hard to sell someone in an important position in each of these companies. After their programming is complete and I deliver the policy-record to the new client, I go to work on the idea of

who the most progressive men in his company are, using a regular prospecting sales talk.

"I divide all of my new prospects into three groups:

"(1) Referred Leads, where I have permission to use the reference's name.

"(2) Referred Leads, where the reference doesn't want his name mentioned.

"(3) Cold Names—no contact whatever.

"Before I make a first call on any one, I always try to 'open the door' with a letter that precedes my call two days.

Number of Clients Required

"For instance: I have established the need of 500 clients to meet my goal. I have heard it said that a good buyer of life insurance adds a new policy to his program every three or four years. In order to be on the safe side, I have assumed my clients will buy a new contract from me every five years.

"When I have 500 clients, if one out of every five buys each year I will produce 100 cases from my clientele.

"Further, I hope to do a good job in educating these 500 clients on how they can help their friends to get the kind of insurance service I have given to them, so they will refer quite a number of their acquaintances to me. I figure from this source one out of every 20 clients each year will send me the name of a prospect with whom I can do business. Thus from this source I will write an additional 25 cases per year.

"Therefore, from my clients and their referred leads I will produce 125 applications per year. My average production is slightly in excess of \$10,000 per case. On 125 applications at this average size policy, I will produce in excess of \$1,000,000 per year."

John J. Moriarty, vice-president, and George F. Wall, secretary, are representing the home office of the American Mutual Life of Des Moines.

PERSONAL COOPERATION



Because it limits its operations to a compact territory, American Union is better able to give close, personal cooperation to all of its agents—Home Office service to all.

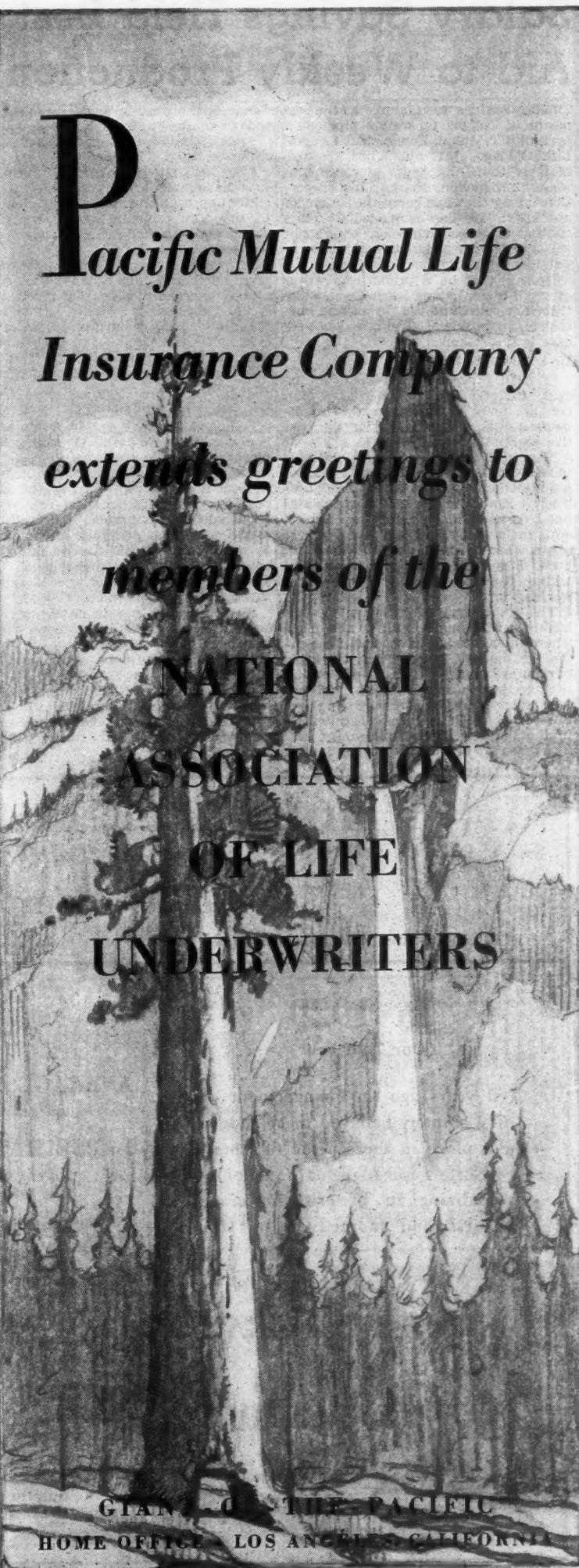
Agency openings in Missouri
and Nebraska.



AMERICAN UNION Life Insurance Company

SCHNEIDER BLDG., ST. JOSEPH, MO.

R. L. DOUGLAS, PRES.



Salary Savings Held Best Aid to Weekly Production

Salary savings was pictured as the best means of keeping up weekly production by Philip T. Aubin, Connecticut General Life, Chicago. Mr. Aubin has a record of more than nine years of continuous weekly production, so that his suggestions along that line carry the weight of authority. He has completed 10 years continuous membership on the honor roll and led the field force of his company in two of the last four years.

He said that he is primarily a writer of small cases, having learned years ago that they constitute the "bread and butter" of the business. The occasional big case is the so-called "gravy."

Best Source of Prospects

"I need prospects—who doesn't?" he said. "It stands to reason that a man can get more prospects from 75 applicants a year (my average for the past five years) than from 10 or 12."

"I need a somewhere near budgetable income—coming in regularly. I am not a budget-hound and don't keep an absolutely accurate account of my expenses but I do know in a general way what it costs me and my family to live and just about what I have to write to come out even. The butcher and grocer seem unwilling to wait for that big case I'm working on."

The "soft spot" for salary savings business, Mr. Aubin said, is the place where the agent knows several conscientious executives, "who think we know our business and permit us more than average freedom in solicitation." He has four such places, where the employees number from 150 in the smallest to 3,600 in the largest. These four salary savings cases are constantly growing in size.

"That is the answer to the problem of today's market," Mr. Aubin said.

Among the advantages of salary savings, he listed:

"(1) Licks our prospecting problem. I now have over 5,000 'suspects'. What better approach than to be recommended as the only company and only agent authorized to solicit within a given organization?

"(2) Gives us opportunity for maximum number of calls with least effort.

"(3) Gives us regularity of income.

"(4) Keeps us on weekly production. Many underwriters have neglected cases once solicited. Keep going back—there are always new employees to see—older ones whose incomes have increased, etc. Build prestige."

Divided Into Two Parts

Selling salary savings, Mr. Aubin said, is divided into two parts: (1) selling employer, (2) selling employees.

The first is most important because without it—obviously—the second isn't possible. Publicity the past few years about adequate insurance plans and use of the monthly budget idea—emphasized by social security—has focused minds of employers on needs of employees. All signs point to a greater use of salary savings in today's market.

He pointed out certain necessary fundamentals in choosing employer-prospects:

(1) Concern must be stable and of high character.

(2) A cordial relationship must exist between employer and employee.

(3) Employees should be generally of white-collar classes or highly skilled workers.

(4) There should be a certainty of minimum number who may reasonably be expected to participate.

Various Approaches to Employer

Various approaches to the employer may be used. One is programming his own estate—showing service available to employees. Another slower method—but none the less sure—is to build up a desire for convenient and painless monthly deductions with certain key employees so that pressure in favor of the plan is brought from the inside.

Mr. Aubin mentioned one case on which he has been working. There are 2,000 employees. He worked about two months on it the first of year and two or three months during the summer. He has written 100 cases for over \$250,000 with annual premiums in excess of \$9,000. "How else could I get that distribution except salary-savings?" he asked. "At that, I have been working mostly on a young group making \$100 to \$300 per month, mostly between \$125 and \$175. Decidedly Grade B or C prospects—on whom many underwriters would frown on an individual basis. However, they are all high-class young men—keenly interested in their future and will be well worth following as the years go by."

"I generally know in advance what the prospects' approximate incomes are. First I have a brief meeting with several employees, explaining the generalities of the plan. At the conclusion I emphasize the fact that the big advantage of the plan is that it is different from group insurance and is individual in every sense of the word. It gives each employee the same opportunity to secure careful underwriting service enjoyed by high-salaried executives—and that's the big feature of salary savings."

"After the meeting I arrange to talk with each individual who is interested and generally they all are—along well established lines. Usually the employee will open up to the extent of telling me

Prepared Program



RALPH G. ENGELSMAN, New York
Penn Mutual Life

what he makes, how much insurance he owns and whether or not he's married, etc. Quite often he'll ask me for a recommendation. I'll then ask him how much he could save monthly. If he replies '\$5'—he would not be a particularly prolific prospect individually, would he? However, on salary savings he's an excellent prospect because he can be sold with little or no effort and appreciates the consideration shown his problem. He then tells others what he bought, etc., and the next few are even easier.

"Many of the men whom I have con-

HOME LIFE INSURANCE COMPANY

NEW YORK, N. Y.

"A Quality Company of Opportunity"

ETHELBERT IDE LOW, *Chairman of the Board*

JAMES A. FULTON, *President*

In 1929

(Our 70th Year)

Ten years ago the management of this Company believed there should be a place in the scheme of American Life Insurance for a company specializing in better-than-average business, and adopted

A

DEFINITE PROGRAM
with
DEFINITE METHODS
for
DEFINITE RESULTS

In 1939

(Our 80th Year)

AVERAGE POLICY SALE \$5,784

Largest of any American company in 1938.

LAPSE RATE 13%

Lapse of business before paying two full annual premiums was 6% lower than the average of all companies.

GAIN OF INSURANCE IN FORCE 40%

This proportion of new business sold represents net gain of insurance-in-force.

Larger average sale indicates larger commissions per sale.

Lower lapse rate indicates greater renewal commissions.

Substantial gain of insurance-in-force indicates sound progress.

These favorable factors, as well as net earnings, low declination rate, interest factor, settlement options and favorable costs will all stand critical examination.

FURTHER OBJECTIVES

The extension of Planned Estate Sales and Service Methods into cities where the Home Life does not now have active agency representation. Plans and methods for the development of new agencies and new general agents to manage those agencies are just as definite as the plans and methods which produced other favorable results. On matters pertaining to agency operation, write

C. C. FULTON, *Agency Vice President*

tacted are very young and generally married. By pencil and paper programming I usually recommend the cheaper protection forms but many times they'll prefer retirement income. If I can't within a very short time convince them that my suggestion is the sounder—then, naturally, I sell the form they prefer—salving my conscience by the feeling that their position has been somewhat bettered anyway.

Too Many Arguments Over Forms

"Too many agents of my acquaintance lose sales by arguments over policy forms. If the applicant is bound to have retirement income he's going to buy it from someone—remember that. Why shouldn't we sell him and later possibly convert him to our way of thinking? He's then a client—not a prospect. Naturally, because of needed brevity, small size of case, etc., the agent cannot go into elaborate details and generally the 'app' is completed at the first interview. I have written as many as seven or eight 'apps' in one day on this basis and in all cases the employee is tremendously enthusiastic.

"Summing up, salary savings permits the man who, because of small income, would ordinarily not be permitted to discuss personal business during company time to secure the services of a well-qualified underwriter on a high-plane of simplified programming.

"It is the most interesting form of selling I have yet discovered, because generally I am helping the younger man to improve his position and there should be much repeat business as the years go by. There has always seemed to me more comfort in a job well done by helping a man buy his first small policy than his last large purchase."

The headquarters reorganization committee headed by Earl F. Colborn, Connecticut Mutual, Rochester, N. Y., held a conference on Saturday.

GLAD TO MEET YOU

WHEN men who have much in common are thrown together they will introduce themselves and often enduring friendships are made that way. Fidelity Mutual offers its greeting to the leading underwriters of America—members of the National Association—glad of the opportunity to introduce itself to those it does not know.

THE Fidelity has been faithfully serving insurers since 1873, operating in 37 states, including New York and the New England states. It is a 3% company with more than 363 millions of insurance in force and more than 126 millions in assets.

Originator of the "Income for Life" plan, Fidelity has operated an unusually successful lead service on this appeal for twenty-three years, and in response to which more than half a million leads have been secured. Backed by a modern kit of sales tools, including Family Income, Family Maintenance, Modified Life and Juvenile insurance, the Fidelity agent is in position to both develop insurance needs and to meet them effectively.

It is proud of its reputation as a company friendly alike to its policyholders and to its field.

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY

PHILADELPHIA

Walter LeMar Talbot, President

Chairman Dyer Active in Three St. Louis Conventions

George L. Dyer, chairman of the St. Louis convention committee, has had 36 years of active life insurance experience. He is one of the few men who has been active in all three of the conventions of the National association which have been held in St. Louis.

Although George Dyer was not a St. Louisian the first time the National association was held in St. Louis, in 1906, he was engaged in the life insurance business in Kansas City and took an active part in the St. Louis convention.

When the National association met in St. Louis in 1916, George Dyer had been general agent of the Columbian National in St. Louis for five years and was then recognized as one of the leading life insurance men of the city.

Today Mr. Dyer, operating one of the leading general agencies of the Columbian National, under the name of George L. Dyer & Co., is still going strong in the life insurance business and association activities.

When the St. Louis association set up its organization several years ago to bid for the National association convention, George L. Dyer was the unanimous choice for general chairman.

During the years Mr. Dyer has served his local, state and national associations in a number of important capacities. He was president of the St. Louis association in 1913, and served a number of years on its board of directors. He is chairman of the law and legislation committee of the Missouri association, and has served as chairman of the nominating committee. He was secretary of the National association in 1917-18, and served as regional vice-president under the old set-up. Aside from his life insurance work and association activities, Mr. Dyer has taken an active part in the civic life of St. Louis.

Left: Colorado State Capitol

DENVER sends GREETINGS

N. A. L. U.

We managers and general agents of Denver extend greetings to those in attendance at St. Louis, Mo., for the 50th Anniversary Convention of the National Association of Life Underwriters. It is our wish that this year's convention will be the greatest in the organization's history.

Below: Denver's Renowned Civic Center.



ISADORE SAMUELS

General Agent

Colorado and Wyoming

NEW ENGLAND MUTUAL LIFE

INSURANCE COMPANY

OF BOSTON

(Chartered 1835)

First National Bank Bldg.

Glen A. McTaggart, C. L. U.

Manager

Colorado, Wyoming and New Mexico

THE PRUDENTIAL INSURANCE

COMPANY OF AMERICA

Home Office—Newark, N. J.

615 Equitable Building

H. ALLEN NYE

Agency Manager

Colorado and Wyoming

THE EQUITABLE LIFE
ASSURANCE SOCIETY
OF THE UNITED STATES

6th Floor Security Bldg.

J. Stanley Edwards

General Agent

The Rocky Mountain Agency

AETNA LIFE INSURANCE COMPANY

Patterson Building

THE UNION CENTRAL LIFE INSURANCE COMPANY

Rocky Mountain Department

JOHN O. ANDREWS

Manager

310 U. S. National Bank Bldg.

E. L. METCALFE

Manager

STANDARD & MAIN

General Agents

NATIONAL LIFE
INSURANCE COMPANY
HOME OFFICE
MONTPELIER VERMONT
ESTABLISHED 1850

PATTERSON BUILDING

Arthur K. Underwood, C. L. U.

General Agent

THE LINCOLN NATIONAL LIFE
INSURANCE COMPANY

632 U. S. National Bank Bldg.



"My Old Kentucky Home,"
Bardstown, Kentucky



KENTUCKY
HOME
MUTUAL
LIFE INSURANCE COMPANY

Extends Greetings to
NATIONAL ASSOCIATION
OF LIFE UNDERWRITERS
gathered in ST. LOUIS
for its 50TH ANNUAL CONVENTION

The Kentucky Home Mutual Life Insurance Company is an agency-minded company. It is built on a solid foundation, formed through economic management, sound investments, careful selection of business, prompt payment of claims, attractive agency contracts.

We can offer liberal agency contracts to personal producers of proven ability in Ohio, Indiana, Alabama, Florida, Tennessee and Kentucky territory. Write for details.

44 Millions of Insurance in Force

KENTUCKY HOME MUTUAL
LIFE INSURANCE COMPANY
Louisville, Kentucky
ELSWORTH REGENSTEIN
President

**Money Never Goes
Out of Style,
Says Ron Stever**

Man's capacity to survive is dependent on his ability to adjust himself to changing conditions. Ron Stever, Pasadena manager Equitable Society, said on the Million Dollar Round Table hour.

"Today we are living in a period of rapid changes and practically every change reveals new needs for life insurance. The alert underwriter continually studies the changing market in order to take advantage of present opportunities. Through it all money never goes out of style, and what are we selling but money for future delivery? New businesses are started, others expand. Qualified men are promoted. One generation retires, passes on, the next inherits. Taxes increase. Youth marries and assumes new responsibilities. In the passing scene new situations for life insurance are created all about us every day.

"But in spite of these opportunities the majority of salesmen will use the European war as an excuse for their failure to produce. Many salesmen have developed a depression complex and have learned to blame the depression for their failure to rise above circumstances. How natural then to turn from depression to war as an excuse for lack of personal initiative. I believe that the events in Europe will make men more conscious of the uncertainty of life and more receptive to our appeal.

National Income Higher

"The national income today is 50 per cent higher than it was in 1932 and 1933 and yet at the low point of the depression new men entered the life insurance business and made outstanding successes. In the worst years of the depression men were reaching million dollar production for the first time. While business in general touched bottom in 1932-35 new men qualified for the Million Dollar Round Table.

"The tempo of general business should increase rapidly in the months ahead. The department of labor announced that a million men had gone back to work the first week in September alone. Some businesses should prosper immediately, others may be affected adversely.

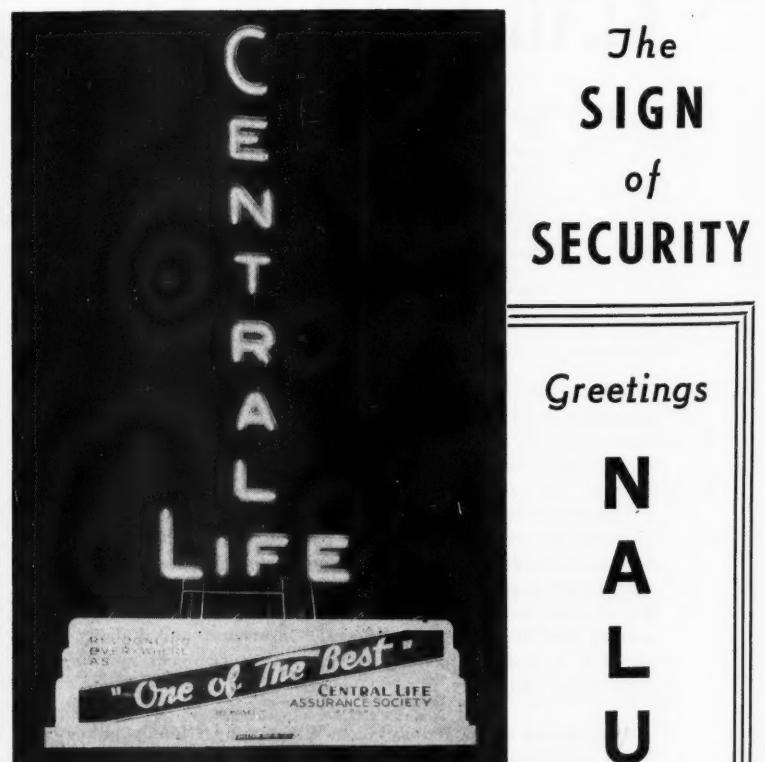
"Certain definite trends in the life insurance business can be recognized which should guide our future course. I do not believe that the average salaried employee will account for the same proportion of business in the future as in the past, since he is now being covered to a large extent by social security supplemented by company pension plans. We will, of course, get some of the pension business. However, our real opportunity will be among the higher income groups; professional men, proprietors of businesses and executive employees.

Business Cover to Expand

"Business insurance will continue to expand, both as an indemnity against the loss of management as well as the medium of transferring a man's business interest to his family. To exchange the uncertainty of dividends for the guaranteed income of life insurance will appeal to the logic of reasoning men. Finally, as taxes increase there are increasing opportunities among individuals who are subject to large income and estate taxes.

"The big business of the future lies among prospects in the higher purchasing power groups and the reward is bound to go to the qualified underwriter. It will be a battle for the survival of the fittest with the unqualified agent continually being weeded out of the business.

"There is one fundamental underlying all successful salesmanship. It is the



A reproduction of the 84-foot neon tower signs erected on highways approaching Des Moines.

**CENTRAL LIFE
ASSURANCE SOCIETY (Mutual)
DES MOINES**

**The
SIGN
of
SECURITY**

Greetings

**N
A
L
U**

IOWA

minute of talk after the hour of thought—the ounce of effort after the ton of preparation which gets the business. The usual procedure is the hour of talk after the minute of thought, the ton of effort after the ounce of preparation which makes business so hard to get.

"A success in life underwriting, like any other success, is necessarily the result of a plan. Our plan must include more selective prospecting, a more substantial knowledge of our business, and a daily work plan by which we become routinized. A definite and sound work plan gives us a track to run on. It keeps us in the presence of qualified prospects under favorable conditions. Then we know where we are headed and the world makes way for the man who knows where he is going."

Metropolitan Life Holding Big Reception Wednesday

The Metropolitan Life is holding a reception in the Crystal room of the Jefferson Hotel immediately following the Wednesday afternoon session of the National association. Between 500 and 600 are expected to attend.

Among the Metropolitan executives present will be Henry E. North, vice-president, and James Smithies, superintendent of agencies, from the Pacific Coast; Cecil J. North, third vice-president in charge of education; Austin T. Schussler, superintendent of agencies, and Samuel T. Risley, supervisor of agencies, Great Lakes division; K. C. Ringer, superintendent of agencies southern division; Glen J. Spahn, superintendent of agencies, and John H. Van Horn, agency supervisor southwest division.

The southwest division held a conference in Kansas City last week and many of those in attendance have come to St. Louis for the national gathering. Metropolitan headquarters are being maintained at Room 2 in the Jefferson Hotel throughout the week.

Three Big Entertainment Features for Thursday

Three entertainment features are offered for Thursday afternoon. An old-fashioned river steamer will leave the dock at the foot of Washington avenue at 4 o'clock. It will hold 2,200 passengers. A buffet dinner and dancing party for 500 to 800 will be held at 7 p.m. at the Sunset Country Club, where the 1916 convention was entertained. Busses will leave the Jefferson Hotel at 6 o'clock. Round trip transportation and admission tickets will also be given those wishing to attend the horse races at the Fairmont Track. An overflow party will be held at the Jefferson with a buffet supper and entertainment. Those who go on the boat ride will be taken to the Sunset Club or the Jefferson Hotel party after the boat docks about 10 p.m.

St. Louis Young Men's Unit Sponsors Luncheon Thursday

The Young Men's Division of the St. Louis Life Underwriters' Association is sponsoring a dutch lunch at the DeSoto Hotel Thursday at 1 o'clock. Any of the conventioneers are welcome. The division is eager to tell those from other places about the St. Louis enterprise with the idea of encouraging similar undertakings elsewhere. Larry McDougal, Mutual Benefit, is president of the St. Louis organization.

J. Hawley Wilson, Oklahoma City general agent Massachusetts Mutual Life and national trustee, drove in Saturday with several of his agents. Mr. Wilson was displaying copies of his new agency bulletin, the "Okla-Hombre." Leonard Herron, Stillwater, one of the Wilson agency's leading men, brought his son Joseph Herron, who has just entered the business after graduation from the Oklahoma A. & M. University.

Discusses the "Hidden Value" of a Sale



G. GILSON TERRIBERRY, New York Mutual Benefit Life

Philadelphia Display Is Impressive

The Philadelphia group, numbering about 50, and supported by about an equal number of Pennsylvanians from other parts of the state, made an impressive demonstration of their desire to be 1940 convention hosts. Millard Orr, Massachusetts Mutual, is general chairman of the Philadelphia enterprise, while Philip Murray, Penn Mutual, functioned as chairman of the activities at St. Louis.

Around the lobby of the Jefferson the Philadelphians had placed a series of 32 large-scale photographs of Philadelphia scenes. These photographs had been on display at the John Wanamaker store in Philadelphia.

On a stage in the Jefferson lobby a young lady garbed in Betsy Ross costume posed much of the time and nine St. Louis girls dressed in colonial style circulated among the conventioneers, attaching Philadelphia badges. The Philadelphians furnished a corps of messenger boys, clad as colonial soldiers, to do duty for various committees.

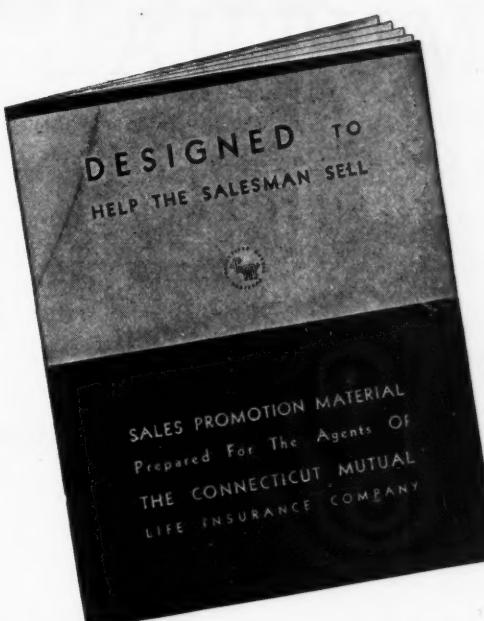
On Monday there arrived in St. Louis Miss Hospitality, who was furnished by the Junior Chamber of Commerce of Philadelphia. She was met at the train by William Penn, George Washington, and Benjamin Franklin and a representative of the St. Louis mayor. Miss Hospitality then was escorted to the city hall where she delivered greetings from the mayor of Philadelphia to the mayor of St. Louis.

The eight girls in costume are attending the President's ball Wednesday evening, escorted by the Philadelphia committee, and then Thursday evening they will attend an official Philadelphia dinner.

Massachusetts Mutual Has Dinner for 100 of Its People

About 100 are expected to attend the dinner given by Massachusetts Mutual to its representatives at the Statler Wednesday evening. President B. J. Perry will preside. He is accompanied by Mrs. Perry. Others from the head office on hand are Vice-president C. O. Fischer, Vice-President J. C. Behan and Mrs. Behan and W. M. Benton, agency secretary. The local arrangements are in charge of Veith & Lowenstein, St. Louis general agents of Massachusetts Mutual. The company is maintaining a headquarters suite throughout the convention.

93 YEARS of
DEPENDABLE PERFORMANCE



DESIGNED TO HELP THE SALESMAN SELL

"Designed to Help the Salesman Sell"
is the appropriate name of Connecticut Mutual's new illustrated catalog of sales helps.

Broken down into the specific uses for various types of printed sales material, the catalog, by over 100 illustrations and descriptions, brings to the fingertips of every Connecticut Mutual representative the "What and How" of printed material to help him in his various sales problems: prospecting—preapproach—interviews — closing — good will — prestige — conservation.

CONNECTICUT MUTUAL
LIFE INSURANCE COMPANY • HARTFORD

STATE MUTUAL

Salutes You

★

To the National Association
of Life Underwriters

*This week you are
fifty years old*

We, who were 44 years of age when you were born, salute you . . . salute you for your untiring and unceasing efforts in behalf of the life insurance business.

With increasing prestige and influence, you have served successfully and well, not only in carrying out desired changes within the industry itself, but in giving a patient and attentive ear to proposals from the outside.

With kindred fellowship, we, too, will soon be celebrating an anniversary—our one-hundredth.

May your good work continue.

**STATE MUTUAL LIFE
ASSURANCE COMPANY**
of
WORCESTER, MASSACHUSETTS
Inc. 1844

Success With Young Men Related By Faser to Managers

Eighty Per Cent of Successful General Agents Started Under 30

Eighty per cent of the successful men in life insurance started their careers under the age of 30, Henry M. Faser, Jr., Boston general agent Penn Mutual Life, said in reviewing his experiences with young college graduates as agents before the managers' section. Approximately 55 per cent of those who entered the business under 30 were 23 years of age or under. "This would seem to indicate that the very young men are not bad prospects for our profession," Mr. Faser said. He received his facts in a questionnaire to 127 general agents.

"What does my agency offer the new man? This is a highly pertinent question that should be answered by any man who is attempting to build an agency or unit of young men, for if the prospective agent is sufficiently intelligent to be of the type we want he will be asking himself the question, 'What does this agency offer me?'

What He Wants to Know

"The young man is interested in not our past records, but his own chances for success. The young man wants to find out:

"1. Shall I be happy with this organization, and are the men in it the type with whom I shall want to associate?

"2. Does this agency have a youthful outlook?

"3. What kind of a course of training shall I receive?

"4. Is there an opportunity here for me to earn recognition and advancement?

"5. Will the agency be willing to take a chance with me financially?

"6. Shall I have an opportunity to discover whether or not I can make a 'go' of the life insurance business?

"These six points should form a check list, and before interviewing any prospective agent, we should have the answers to the questions from the young man's viewpoint.

"The average man, when deciding about entering a certain business, likes to feel that it offers him something that he cannot get elsewhere. Therefore, we should find some one thing that we believe we can give the new man which cannot be had any other place, and then play it up."

What Agency Offers Is Key

"Most young men decide upon entering life insurance and a particular agency because of what the agency has to offer, and not because of the position that life insurance holds as an institution. Our men do not sell the company but the plan. We must not sell the institution of life insurance but ourselves and our agency.

"A young man the same age or slightly older than the men we are recruiting should be in charge of them. It is all the better if he has been in the business himself only a comparatively short time, for then he will have traveled the same road that you are asking your young recruit to travel and not more than two to four years ahead of him.

"Most young men prefer to follow rather than to be told, and they can be inspired by the success of other young men. By all means separate the young men from the veterans.

"What type of young man are we looking for? We must answer this before we start looking, for otherwise we will not know where to look nor will we be able to tell our centers of influence what we want."

Presides at Wednesday
Afternoon Session



O. SAM CUMMINGS, Dallas
Former National President

Mr. Faser has had success with but two types:

"1. Young men who have just graduated from college. They should be contacted while still in school or immediately upon graduation; otherwise, we are liable to get men who can find nothing else to do.

"I have had just as good success with men just out of college who enter life insurance for their first job as I have had with men who have been out of school a few years. I realize that most managers will disagree with me on these findings, but let's look for a moment at the questionnaire. Forty per cent of the total number of managers in both groups entered the business while still in college, immediately upon graduation, or within one year. Forty per cent of the men came into life insurance for their first jobs.

"2. The second type is the young man I like to classify as 'misplaced.' These men went into the business world and were able to find jobs because they were of top-flight ability; but for one reason or another, they are not doing the type of work they like. Now they are restless and looking for something that better fits their personalities and that offers a better future.

"I do not put emphasis on the contacts the man has when he enters the business," Mr. Faser declared. "That statement may startle some of you, but my experience has proven to me that if a young man has the ability to make contacts of the right kind, he will be able to prospect and therefore will be successful. On the other hand, he may have many contacts, but if he has not the ability to prospect, he will fail. In other words, I put the emphasis upon his ability to prospect and not on the contacts he has when he starts."

Sell Center of Influence

"Practically every man I have secured came from one of three sources: 1. Centers of influence; 2. Men in own organization; 3. Personal contacts.

"I have used practically every method known for recruiting except advertising, and I have had little or no success with any except the three named.

"It is important that we take time really to sell the center of influence on the idea of helping us. This job is made much easier if we can point out to him 'What Our Agency Has to Offer the Young Man' and if we can show him that our agency is unique and has something distinctive. We should look on this job of selling our centers of influence as being just as important as actually selecting our man. And if we do it right,

it will save us much time, for he will pre-select the men before he sends them to us.

"Young centers of influence are far more helpful than older men even though they have much higher positions. The head of a business is looking for good men himself, whereas the young clerk has no selfish motive and is happy to give a fellow clerk a break.

What About Financing?

"In my agency building I have done financing and have found it most helpful. While in New York 25 of the 35 men I started in the business were financed. Of this number 15 are still in the business and one is a general agent and five have become supervisors.

"On the other hand, I know of another agency that in two years brought 23 men into the business through financing and at the end of two and a half years from the time the first was inducted, not one of the 23 was still in the business. Financing can be very helpful, but it is far from being the final answer to the question of agency building with young men.

"Of the 127 managers and general agents in my study, over 70 per cent started on a 100 per cent commission basis and only about 10 per cent were 100 per cent salary. Most of these men entered the business some years back and conditions may be a little different today.

Training the New Man

"My training program is planned to embrace a minimum period of four years. The initial training is given in a highly concentrated course lasting two weeks, but then continues over a period of four years with the ultimate goal to have the man attain the C. L. U. designation. In the initial training period I feel it is important to give the men some funda-

Talks to Women



JOHN A. STEVENSON
President, Penn Mutual Life

mentals as well as groundwork in salesmanship. In fact, the first day I show him how to calculate the simple premium for a one-year term policy. In doing this, it takes all the mystery out of life insurance and at the same time builds up confidence so that he is not afraid to discuss insurance with anyone."

William H. Andrews, Jefferson Standard Life, Greensboro, National association trustee, heads a delegation of seven from North Carolina.



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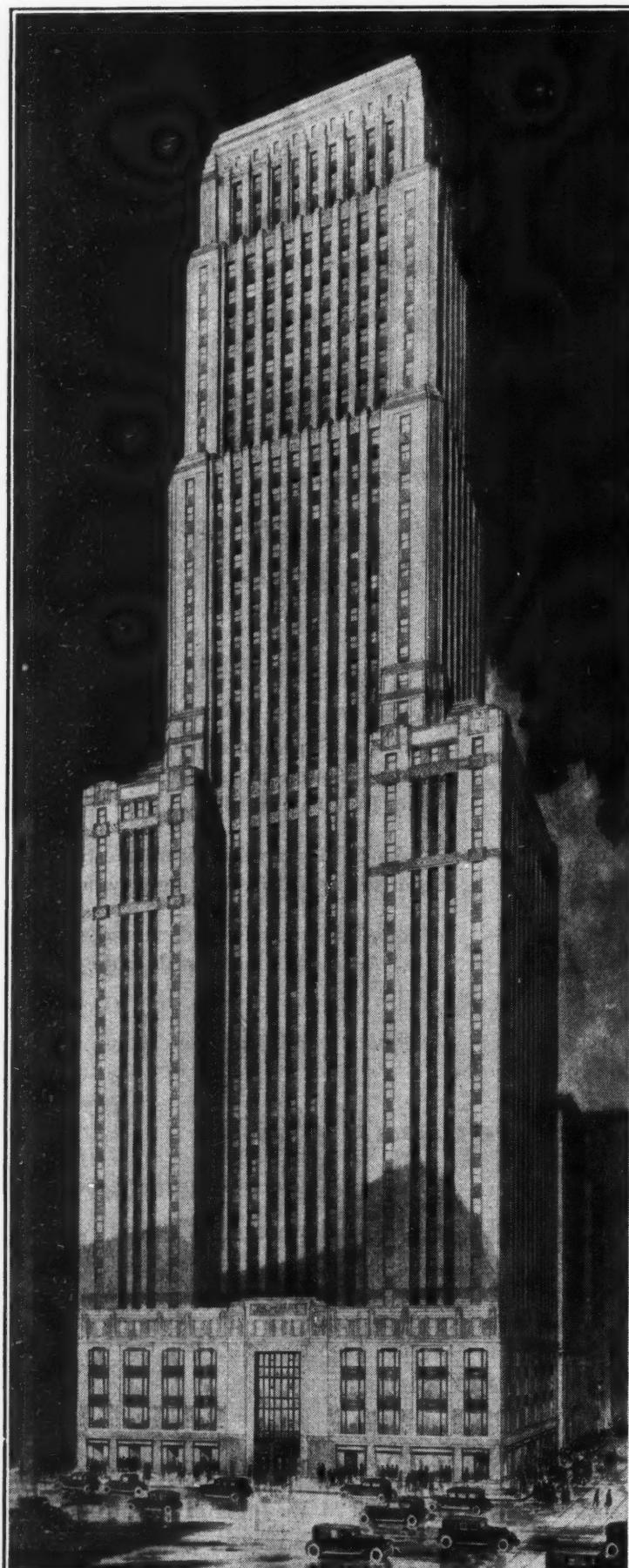
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"Hidden Values" in Sale Make Agent's Work Worth While

Speaking on "The Hidden Values of a Sale", G. Gilson Terriberry, agent Mutual Benefit Life, New York, took up the steps usually necessary in making a sale.

"We must, first, find a prospect; second, develop an approach to the prospect; third, arouse the prospect's interest and create his confidence in us; fourth, explain a plan that will benefit the prospect, and, fifth, close—get action," he said.

"The usual procedure is to repeat this cycle of steps again and again. But if we do not get from each sale something of value the cycle becomes a rut. The more the same rut is traveled the deeper it becomes. Ideally this circular pattern should become a spiral.

Start Spiral of Growth
"It is easy to repeat the circular path, digging a rut and eventually running out of 'pay dirt'. But if, as a result of a sale, we can get better prospects, easier to see, with more advance information about them, we are starting a spiral of growth.

"For instance, we start new in the business and we make a call on a presumed prospect, simply because we have heard of his name. He does not know us, we know nothing about him. We want to build up from this level to the point where we not only have information about a prospect but we also have an introduction, the prospect knows of us by reputation and is glad to talk to us.

"It is impossible to jump from the first level to the latter all at once. We have to consciously develop our first selling cycle into a growing spiral. Since the selling of life insurance is a personal business it follows that we are the radial point of the cycle of selling. Therefore our own growth as a person determines the type of prospect we meet and determines our own ability to handle with intelligence increasing bigger prospects.

First Steps Outlined

"Recalling my own early experience in life insurance selling and those of other men young in the business it seems to me that the very first steps should be—(1) to take stock of ourselves, where we now are, particularly in regards to the type of person we can talk to easily and whose point of view we understand, and (2) determine where we want to go and what sort of person we intend eventually to sell. At just a glance this seems to put only a dollar value on success. However, in a business as personal as life insurance the tendency is for business contacts to become personal friends. One of the important hidden values of a successful sale is that the prospect becomes a permanent client and friend.

"To reduce our thinking to simple terms, assume that we are in a position to meet prospects suggested by our friends but without permission to use their names. We want to grow from this to the point where our friends and clients allow us to use their names and eventually will be glad to introduce us. This requires that we do a better job of service for the prospect than has ever been done before, whether we sell him or not. We have to prove that we understand his point of view and his problems.

Must Prove Competence

"Whether he buys now or not he should have found the discussions with us interesting and of value to him and should feel that he is indebted to us. To do this we must prove ourselves technically well equipped to be of assistance on his problems, and that we have sufficient background to be interesting to him as a person.

"To accomplish this requires advance study of his type of business and the problems it faces today and as complete a picture as possible of his personal situation. The success or failure of the in-

terview then depends on the personal background of the agent, his ability to make the prospect think through to a conclusion on his own problems. The broader the agent's background, the more types of prospects he will be able to do this with.

Extra-Curricular Sources

"To each contact the agent should bring all the wealth of background he possesses and from each interview he should be able to add to that same background—another of the hidden values of a sale. There are other 'extra-curricular' sources of personal growth available to anyone who is not in a mental or social rut:

1. Read on subjects of general interest: current history, economics, current books and magazine articles.

2. Attend classes or discussion groups dealing with thought-provoking subjects.

3. Seek out people who are doing important things and discuss matters of interest to them. Ask questions and show a sincere interest. You will learn a lot.

4. Enter into community service. You will learn to know people and how to get along with them. But this can be overdone. Try to develop the reputation that if you can be persuaded to do a job the job is as good as done.

Program Will Pay Dividends

"A self-imposed program of this sort will pay double dividends, making not only for better business contacts but for greater personal pleasure. Some knowledge of such subjects as banking, finance, manufacturing, medicine, law, farming, building, educational trends, national and international affairs, makes it possible for the agent to establish himself in the mind of his prospect as a person worthy of confidence. Be able to talk to a man on the level of his own thinking.

"Bring to an interview twice as much material as you intend to use. Be able to explain the same thing over in several different ways. Be a good listener. Never see a man unless you have an idea of value to him. Your prospect then becomes a booster whether or not he is a client.

"The obvious values of a sale are financial plus the boost to one's morale. But of equally great importance in the development of a 'success spiral' are the hidden values—new sources of prospects, permanent clients, new friends, increased reputation, satisfaction of a job well done and personal growth.

"These hidden values are what make the selling of life insurance challenging and fun while at the same time making the difference between near and real success."

Zimmerman, Maduro Put on Inter-Collegiate Balls

In his collegiate days at Dartmouth, C. J. Zimmerman, vice-president and president-to-be of the National association, cooperated with Denis B. Maduro, then a student at Cornell, now counsel for the New York City association and a speaker before the Million Dollar Round Table at its meeting this week, in staging the original Inter-collegiate Balls, a famous social institution of the early post-war era in New York City.

They were extremely successful there and in Boston, but the youthful promoters struck a snag when they endeavored to stage a similar affair at the Ritz Hotel in Paris in 1923. The crowd was there in overflowing proportions, but the promoters had overlooked the fact the French government imposed a 25 per cent gross tax on admissions. This wiped out the margin of profit and made it necessary for the American consul to ship them back to the United States at government expense. However, they tried it again in 1924 and the dance was then a tremendous success. How the tax situation was handled, they still refuse to say.



A GREAT ACHIEVEMENT

In 1938, excluding Industrial Insurance, this company's per cent of gain and amount of increase in *new paid business* over 1937 was greatest among both the 25 largest mutual companies and the 25 largest life insurance companies. The per cent of gain in *insurance in force* during the same period was also the greatest among both groups. Likewise, the Minnesota Mutual's amount of gain in *insurance in force* was greater than in 11 of the 25 largest mutuals and greater than in 10 of the 25 largest companies.

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A CHALLENGE

"THE banks are overflowing with money. You see, with fake stocks outlawed, people have nothing to do with it," says the Fountain Inn (S. C.) Tribune.

Here, very clearly, is a challenge to members of the National Association of Life Underwriters in particular and to life underwriters in general.

May they be inspired and determined, henceforth, to meet this challenge more effectively, that the business of living may go on in America with increasing measure of comfort and security.

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Bradford H. Walker, President

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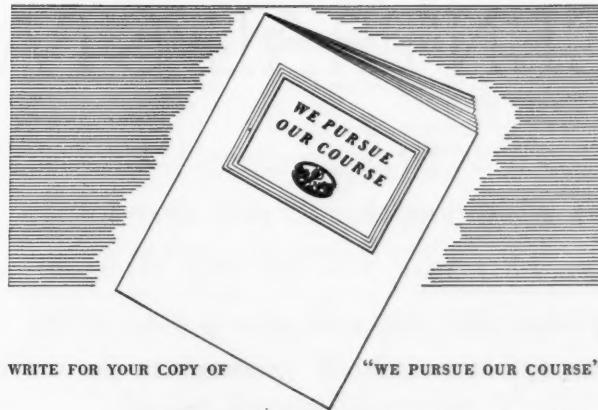


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By steadfastly pursuing its course of true mutuality, the Mutual Benefit today stands first in liberality on such matters as non-forfeiture values (available in a majority of cases, the FIRST YEAR), low surrender charges, retroaction, settlement option provisions and service, and other provisions and practices favorable to the insured. These things, to the Mutual Benefit's way of thinking, embody and protect the just and equitable rights of policyholders.

The story of how the Mutual Benefit grew to tenth in size among life insurance companies and first in the hearts of its policyholders—how it earned the right to be known as "The Policyholders' Company"—is told briefly and interestingly in the pocket-size booklet, "We Pursue Our Course." Ask for a copy.



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3663 LINDELL BOULEVARD

Alfred Fairbank, President

Dependents' Income Is Fundamental

Although "Income for Dependents" is a modern phrase, it expresses the fundamental purpose of life insurance, Miss Mildred P. Miller, Penn Mutual Life, Kansas City, said before the women's quarter million dollar round table.

"Every vocation has a vocabulary of its own, but the vocabulary of life insurance is unique, with a word or a phrase the piece of paper we call a policy, a financial and actuarial instrument, becomes the financial answer to human needs.

"Each new form of contract is only the modern evaluation of a human need, an idea created as we study life's financial problems, but always it is a modified plan built upon the fundamental purpose of life insurance.

"Life agents have grown in their understanding of life's financial needs and, today, we plan for a program that in the event of premature death of the husband and father, there will be:

"1. Lump sum for last expenses;

"2. If the estate is large, a sum to defray taxes and estate administration cost;

"3. A sum to redeem the mortgage on the home—for, without a home, the widow has an added problem of keeping the family together;

"4. An adjustment period—say for one or two years, a check equal to the salary or income which the husband would have received;

"5. Income to widow for life, payable monthly, after adjustment period;

"6. Added incomes for definite years when children will be in college.

"Life gives us but two alternatives—we must live—or, we must die. Until a father's youngest child is through college, his greatest concern is, 'If I should die'; then, when he sees his children grown, a new picture is realized—"If I live"—so, the need in our complete insurance program is—

"7. Monthly income for remainder of his life after retirement.

"If our prospect is not financially able to carry an adequate program of insurance, perhaps he is young and has not had time to accumulate a savings; or, perhaps he is older, but income has not been large enough to permit a part to be put away in savings; I plan for lump sum for last expenses—the adjustment period, and then income for wife—if not for life, for sufficient years to educate the youngest child.

Needs Come First

"As always in the planning of an insurance program—needs are the first

Gives Some Suggestions on Closing Sale



MILTON SHERMAN, Buffalo General Agent, Connecticut Mutual

consideration—then, build with an amount the man can save to supply needs—perhaps using many forms of contracts—with the prospect's full understanding of the next steps to be taken when adding to his program.

"Such programs establish for you a clientele for future business. I review each policyholder's program once a year—I call it 'Policyholder's Program Survey'—at which time I either telephone policyholder or write a personal letter. I know my thousand policyholders, and when I hear of any loss in their family, or any good news, births, graduations, marriages, or promotions, I write a letter. It is lots of work, but for me a friendly clientele is the dynamic force which promotes my business and, best of all, it disciplines me to be constantly on the job—never completing my day's work."

Less Emphasis on Closing Urged

(Continued from Page 13)

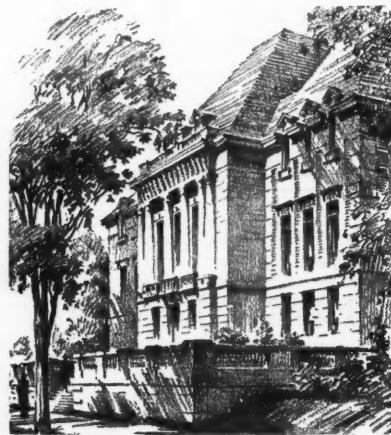
"These facts established we go into the needs as he sees them. Once disclosed, I have but one job—to make him feel that the needs are immediate and pressing. Otherwise the interview is just so much idle discussion."

Returns With Information

Mr. Sherman then offers to return in three or four days with definite information as to the safest and most economical manner of meeting the prospect's needs—"safest because of my company, most economical because of my knowledge and experience."

"It is my job to leave this impression—necessities of life for the family as needed and when needed, at the lowest possible price, or the uncertainty of it, the possible lack and the misery which is sure to follow. 'You, Mr. Prospect, are the man who can make dreams come true—all I need is to show you how.'

"No other phase of this business possibly offers the thrill that is ours when we come for the second interview, when we return to the prospect with a solution of a real problem. Not with a plan; the prospect is not interested in plans and I am not paid for planning. Furthermore, planning presupposes choice. In this case the prospect told me what he needs the least on which his family can get along. The family is the one that will need a plan to make the money go far enough—not the prospect."



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THE NATIONAL UNDERWRITER

The Diamond Life Bulletins

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World's largest publishing house devoted exclusively to the insurance business!

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Des Moines

New York

Cincinnati

Toronto

Chicago

San Francisco

Philadelphia

"BUILT FOR PROTECTION"

Growing Greater

... In Service

Payments to Policy Owners and Beneficiaries of over \$50,000,000 since organization. Approximately \$7,000.00 is paid out every day in contract benefits.

... In Size

Record for the first six months of 1939:

	<i>Insurance in Force</i>	<i>Assets</i>	<i>Capital and Surplus</i>
June, 1939	\$247,907,092.00	\$23,739,028.00	\$3,610,814.00
Dec., 1938	229,238,121.00	21,809,313.00	3,341,437.00
Gain	\$ 18,668,971.00	\$ 1,929,715.00	\$ 269,377.00



LIFE and CASUALTY INSURANCE COMPANY

OF TENNESSEE

A. M. Burton, President

Home Office—Nashville

Agent Should Make Himself As Good As His Product

(Continued from page 15)

business would gain tremendously. An ordinary man can take a lesson from the book of work employed by the industrial man and use it to his profit.

Plenty of Prospects

"Fifth. Too often there comes over us a feeling that there are not enough prospects, and particularly new ones. When this is true, the life insurance agent is lacking in resourcefulness, creative imagination or is lazy. In this year of 1939, there will be about 2½ million births of potential prospects in the United States. During this year there will be about 1½ million marriages. In addition about 2,300,000 young persons of both sexes will reach age 21—the normal time in life for a check-up of increasing responsibilities in life and consideration of the part life insurance will play in meeting these responsibilities.

"Sixth. That too often we are 'introverts' rather than 'extroverts'. 'Introverts' are self-centered people who think too much of themselves, while 'extroverts' think primarily of the welfare of those whom they would serve. With the consumer in command today, with his interests paramount in all selling, there is no place in salesmanship for the self-centered individual.

Need High Calibre Men

"And Seventh. That too many individuals in this business fail to realize the insistent demand today for the highest calibre men as representatives of our institution. We must heed this demand. If we do not accomplish high personal standing by voluntary effort, then it will be necessary to compel it by law. This has happened in other professions. Today eight states, by legal statutes, require successful passage of examinations for

Chairman of Managers, General Agents Division



PHILIP B. HOBBS, Chicago
Equitable Society

licenses in our business. They are: Massachusetts, Maine, New Hampshire, Connecticut, Pennsylvania, North Carolina, Ohio and Illinois, also the District of Columbia. New York's law becomes effective in 1940. Indiana and Washington require a course of study approved by the insurance company represented."

Herbert A. Hedges, Equitable Life of Iowa general agent, of Kansas City, and National association trustee, is chairman of his company's advisory council which is meeting in Des Moines on Friday. Mr. Hedges arrived in St. Louis a day early so as to line up his program.

LIFE INSURANCE COMPANIES ARE BUILT ON THEIR AGENTS

Since the beginning of life insurance, the success of companies has been measured by the success of their agents. When properly trained, the agent is the company's base, its foundation.

Members of the N. A. L. U. now in session at their golden anniversary convention have proven this fact.

Congratulations and Best Wishes

N. A. L. U. MEMBERS

MIDLAND LIFE INSURANCE CO.
KANSAS CITY

DANIEL BOONE

MISSOURI

"We Started to Grow 30 Years Ago"

PRESIDENT

Johnson Fears U. S. Encroachment on Life Insurance

(Continued from page 6)

The National association, he declared, decided against intervening in the legislation aimed at excluding agents from the operation of the social security act. Some agents desired to be under the act. Others did not. The status of each agent was governed by his own individual company contract and a variety of contracts were in existence.

The administration was criticized in some quarters, he declared, for not attempting to defeat the amendments to the social security act under which the system of benefits was radically overhauled. Mr. Johnson expressed the belief that the position of life insurance men should have been somewhat ridiculous in seeking to block the extension of social security because such a move would compete with the agent. The business can demand that competition be fair, but the primary motive of the association is to spread the benefits of the institution of life insurance.

Iron Out Bar Controversies

Mr. Johnson asserted that during the past year certain misunderstandings have developed between some of the life insurance men and legal groups. The committee on cooperation with attorneys has eliminated some of those misunderstandings. At present a national code is in process of being composed. The National association committee has been invited to meet with a similar committee of the American Bar Association in an endeavor to arrive at a statement of principles. The National association, he said, is seeking to cooperate so that the interests of both groups from a professional standpoint may be protected.

"In any period of economic change or disturbance," Mr. Johnson declared in referring to so-called insurance counselors, "or when any institution grows in size to the place where it becomes an important factor in the life of any people, it must recognize that there will spring up those who through the desire for personal gain or profit will attempt to be critical of that institution, and the life insurance business has not escaped that criticism because there is springing up around us the so-called counselor, or the research expert, or the adjustment bureau, and while these organizations generally seem to place themselves in a favorable light with the public on the basis of rendering a necessary service, you and I know from past experience that their motives and primary purpose are merely that of serving their own personal profit and gain."

President Johnson said he had visited 44 of the 48 states during the past year and had traveled over 50,000 miles.

New Setup for Session

The president emphasized that the national council is a legislative assembly, enacting legislation which is passed on to the trustees to put it into execution. In line with that idea, all members of the council were seated at long tables, with a table for each state and a standard on the table bearing the name of the state. This plan was adopted at the mid-year meeting, but was put into effect for the first time at an annual convention. A rollcall showed that 43 states and the District of Columbia were represented, with only five states missing. One objection offered to the plan was that it scattered the members so greatly that it was difficult for those in the rear to hear those who spoke from the floor. Earl Colborn of Rochester, N. Y., chairman of the committee on national council meetings, was in charge of arrangements and was a very busy man seeing that everything was functioning properly.

While there were some controversial

issues in the background, the only thing in the council session which brought out any semblance of "fireworks" was the question of federal aid for educational projects in which local associations might be interested. It was brought out by a statement by Frank Mozely, president Salt Lake City association, in regard to a course given in the evening high school there, for which federal aid was received. James Paisley of Wheeling, W. Va., told of efforts to get similar assistance for a project in his city.

That brought E. L. Beesley, State Mutual Life, Syracuse, N. Y., to his feet with a strong protest against the idea of federal aid, particularly in view of what President Johnson had said in regard to possible sale of industrial insurance by the government. He moved that the president be authorized to present a resolution to the resolutions committee urging the greatest care about asking segregated funds from the federal government, which was carried.

The agitation all evaporated, however, when at the afternoon session J. Stanley Edwards, chairman of the resolutions committee, reported that there is no government plan by which aid can be extended to an association; that under the George-Dean bill, to which reference had been made in the debate, such aid is extended only to school boards and accredited educational institutions, and that after a conference with all those directly interested in the controversy, it had been agreed that the matter be referred back to the educational committee, which is to give further study to the question and make recommendations at the next meeting of the national council.

Open Forum Discussions

At the opening of the session, following the president's report, very brief reports were presented by C. J. Zimmerman, vice-president; H. T. Wright, secretary, and R. L. Jones, treasurer. John A. Witherspoon, Nashville, chairman of the membership committee, thanked all association workers for their assistance, and announced the membership total as of Monday as being 27,816, or 736 more than reported as of June 30.

Aside from the officers' reports, the council meeting was devoted entirely to open forum discussions of various problems of vital interest to local associations.

Secretary Wright had charge of the discussion of how an association can function to furnish sound life insurance information to policyholders and the American public. He told of the manual recently issued and how it can be used.

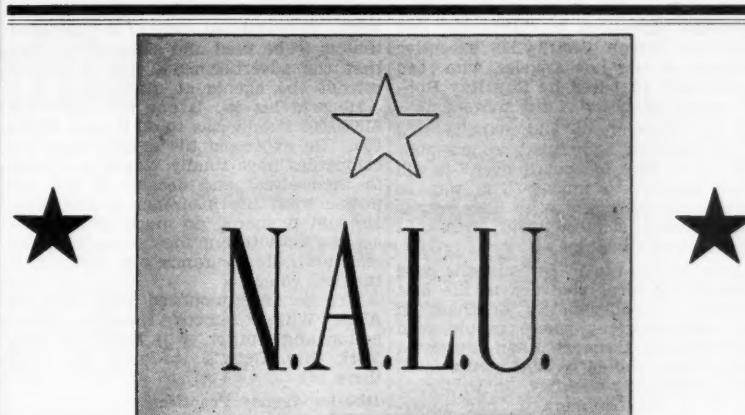
Invite Professors, Students

L. M. Buckley, president Chicago association, told of the plans for showing the "Ed Graham" film. The association has bought a projecting machine and trained several men in its operation and already has scheduled 20 showings. He said the association sends out releases to 74 papers in Chicago and vicinity. In that connection he urged against talking in billions or millions and said human interest stories should be featured. The speakers' bureau has 35 men who are ready to accept assignments.

Karl Madden of Davenport, Ia., said that in connection with the sales congresses there, invitations had been extended to professors in economics in universities and colleges in the territory adjacent to Davenport, which had been very generally accepted. From 70 to 75 students accompanied these professors. He said that at the time of the last congress Holgar Johnson addressed the sales managers' bureau. He urged that where there are such organizations, the associations should establish close contact with them.

Grant Taggart of Cowley, Wyo., gave some general suggestions for association public relations work.

Roy Hodges of Cincinnati referred to the Cleveland booklet which has been used with great success in the high schools, and said it is now being rewritten in two volumes for use in Wis-



Greetings
from
The LONE STAR STATE

THE
O. SAM CUMMINGS AGENCY
State Managers for Texas
KANSAS CITY
LIFE INSURANCE CO.
Cummings Agency Bldg.
Dallas

JOS. S. SMITH
General Agent and Associates
AETNA
LIFE INSURANCE CO.
3019-23 Gulf Building
Houston

E. F. WHITE
General Agent
CONNECTICUT MUTUAL
LIFE INSURANCE COMPANY
1006-07 Republic Bank Bldg.
Dallas

G. A. DAVENPORT
General Agent
JOHN HANCOCK
MUTUAL LIFE INS. CO.
604 Milam Building
San Antonio

MORRIS BROWNLEE
General Agent
STATE MUTUAL
LIFE ASSURANCE CO.
OF WORCESTER, MASS.
502 Second National Bank Bldg.
Houston

G. ARCHIE HELLAND
General Agent
CONNECTICUT MUTUAL
LIFE INSURANCE CO.
209 Frost National Bank
Building
San Antonio

WILLIAM HARRISON
General Agent
UNION CENTRAL
LIFE INSURANCE CO.
812 Esperson Building
Houston

B. A. WEIDERMANN
Manager
UNION CENTRAL
LIFE INSURANCE CO.
1420 Alamo National Bank
Building
San Antonio

consin. He referred to the consumer education movement in California, and called on Joseph Charleville, executive secretary of the Los Angeles, who read a statement prepared by Roy Ray Roberts, chief promoter of the movement.

E. A. Krueger of Indianapolis said if the question is brought up on publicity as to how to "put it over," it will never amount to much. The way to get desirable publicity is to have activities and people connected with them that are "news-worthy."

Oren Pritchard of Indianapolis said most of the ideas contrary to the best interests of policyholders originate in the rural districts, where people read only their local papers, and suggested that releases should be sent to the small town dailies and weeklies. In that connection it was announced that advertisements for the Annual Message of Life Insurance will be sent to 15,000 small town papers and that suggested editorials would also be sent out.

Tells of Annual Message

The Annual Message itself was presented by J. C. Behan, vice-president Massachusetts Mutual Life and chairman of the committee of the Life Agency

Officers' Association in charge of the week. He exhibited some of the material that is to be used and stressed the fact that the advertisements urge people to consult the agents at all times.

He said his job is one that calls for \$1,000,000 but he has to do it with \$120,000. He expressed his delight that the companies have finally "taken a tumble to themselves" and decided to tell the people what life insurance is and does. He said it should do much to counteract the activities of the "scoundrels who tear down life insurance, and pocket half the cash value."

Mr. Behan announced that William Allen White, famous Emporia, Kan., editor and author, will speak in New York City, Oct. 23, to open the week there.

Discuss Agency Practices

The Life Agency Officers' group was also represented in the discussion of the agency practices code by Col. D. Gordon Hunter, vice-president Phoenix Mutual Life, who is chairman of its committee on that subject. He said that while at times the committee may be inclined to deplore the apparent lack of progress, it is necessary only to compare conditions today with what they were 20 years

ago to realize the progress that has been made. He declared that the companies are heartily in accord with the movement and expressed the hope that the number of signatory companies will be increased.

George E. Lackey, Massachusetts Mutual, Detroit, who presided over that discussion, reviewed some of the points made in his report as chairman of the National Association's agency practices committee.

Elmer Beesley of Syracuse, N. Y., said it is a favorable sign to have at the head of the company committee a man like Colonel Hunter, who "has thrown all part-timers out of the window." He said there are now no part-timers in Syracuse that he knows of, but admitted that it had been necessary to apply some pressure at times and said it is a matter that must be watched constantly.

Managers Have Own Agreement

John D. Marsh of Washington, D. C., said members of the managers section there have signed an agreement among themselves, to which every manager as signed, even those representing companies that are not signatories.

L. O. Schiver, Peoria, Ill., former national president, recalled the fact that

it was while he was president that "the baby was born." He said there is not 100 per cent compliance even among the signatory companies but that the leaven is working.

F. J. Jenkins of San Diego, Cal., expressed doubt as to whether the agreement will ever work successfully until a majority of the companies sign.

C. B. Stumes of Chicago told of the trouble experienced under the first Illinois qualification law, which allowed issuance of a three months' interim license, with many of these licensees never appearing for examination. At the last legislature the law was amended to provide that no license be issued until after examination.

He said that enforcement in Chicago has lately been more difficult and that in too many cases managers find an excuse for an "occasional exception."

Ohio Department's Action

R. W. Hoyer of Columbus told how the part-timer problem had been solved in his state through the cooperation of the Ohio department. It has ruled that a part-timer can be licensed only where he gets permission from his employer to receive telephone calls and visitors and to leave his place of employment whenever necessary to give proper service to his insurance clients. A letter is also sent to the employer and if he does not give his permission within 10 days, it is assumed that it is refused. Since May 1 the number of part-time applicants has been reduced 80 to 90 per cent.

President Johnson inquired as to what effort had been made by local associations to eliminate inadequately equipped agents, stating that 1,000 had been cut off in Pittsburgh. It was stated from the floor that 56 had been eliminated in Erie, Pa. H. G. Wischmeyer of Cleveland said the Ohio examination is stiff enough to eliminate the unqualified. John A. Witherspoon of Nashville said that a part-timer can not be licensed in Tennessee under any circumstances.

Life-Casualty Agents

H. J. Baum of Birmingham inquired as to the status of agents of companies which also write casualty business. President Johnson said the requirement in the agreement is that the agent devote his full time to the insurance business, which means that he would be available for service to clients.

The question was asked as to the procedure in case of violations. President Johnson said the thing to do was to notify the national headquarters or the chairman of the agency practices committee, who would then take it up with the company.

A resolution sent in by the Montana association, stating that there are too many life insurance men in Montana and asking the National association to do something about it was read by J. Stanley Edwards, chairman of the resolutions committee, and at his request was referred to his committee.

Hull Reviews Past Year

The work of the past year was reviewed by R. B. Hull, managing director, who paid high tribute to the indefatigable work of President Johnson, and took as the keynote of the year the primary objective announced by Mr. Johnson just after the Houston convention: "Emphasis upon such activities as will bring to the agent the prestige to which he is justly entitled." He also reviewed other pronouncements made by the president early in the year, which have become especially significant in view of subsequent developments.

He told of the pamphlets already put out by the National association, intended to give policyholders a better picture of life insurance, and that two more are now in preparation, one showing that the service of the agent is indispensable and the other analyzing certain "over-the-counter" systems of life insurance distribution. He praised highly the work of the new Institute of Life Insurance



Do you know?

\$210,000,000

has been paid to beneficiaries and contract holders since The Great-West Life commenced business in 1892.

\$148,000,000

of this huge sum has gone to living policyholders.

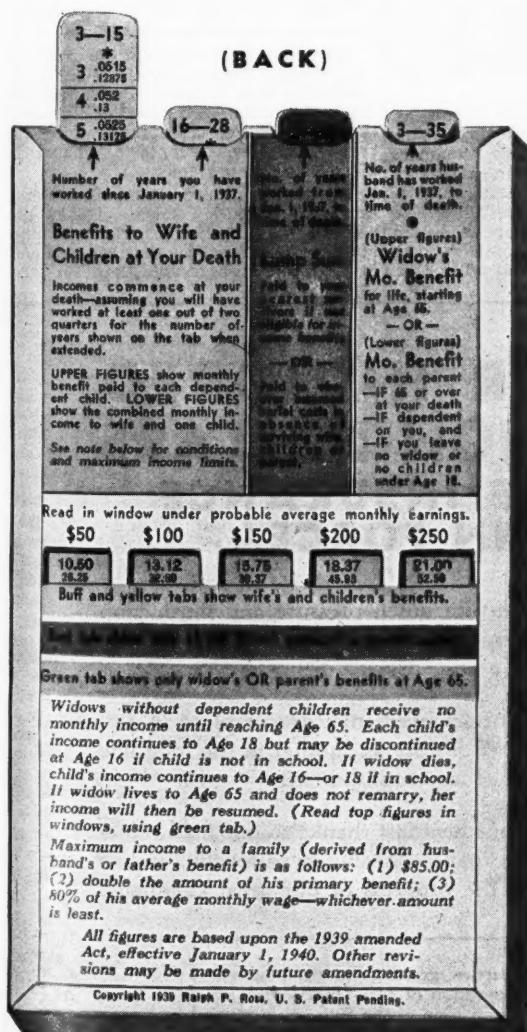
The
GREAT-WEST LIFE
ASSURANCE COMPANY

Head Office—WINNIPEG

Business in Force, \$616,900,000

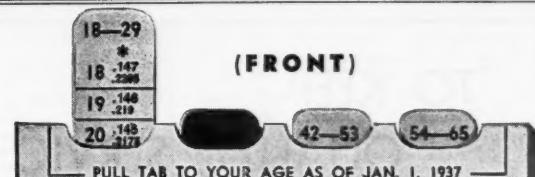
Social Security Benefits To the Penny . . .

NO DOUBT many of your prospects would like to know, to the penny, just what their Social Security Benefits will be under their present earnings. Perhaps some of these people would like to work out the answer themselves because in doing so, they will have more confidence in the result. Of course, you could give them the governmental formula to figure their Benefits, but it is difficult to make a sale when a prospect becomes immersed in figures. Instead of this, wouldn't it be better to hand your prospect a "Datagraph" and quickly show him how the thing works?



PRICES

Single Datagraph, each.....	\$2.00
Lots of 5, each.....	1.90
Lots of 10, each.....	1.80
Lots of 25, each.....	1.70



With the tab set at your age as of Jan. 1, 1937, UPPER FIGURES in windows show your monthly benefit starting at Age 65, assuming you have earned \$50 per quarter or more for at least one out of each two quarters since Jan. 1, 1937—or since Age 21. LOWER FIGURES show combined benefits to yourself and wife, after both attain Age 65. These benefits continue for both until the death of either. Ages 63, 64, and 65 assume retirement in 2 years.

Benefits are paid only if not working.

Read in window under probable average monthly earnings.				
\$50	\$100	\$150	\$200	\$250
25.00	49.00	73.25	97.50	121.75
146.00	218.75	283.00	346.75	410.50
170.25	243.00	315.75	389.50	462.25

Wife's benefit is normally 50% of yours (as shown here) but if she receives a "primary" benefit derived from her own earnings, her actual monthly benefit will be whichever amount is largest.

*Small figures on tabs show Monthly Benefit for each dollar earnings above \$50. Example: How much benefit if earnings are \$110 per month from Age 30 on the tab? \$100 per month pays \$33.75, as shown in second window. For the extra \$10, multiply the extra top figure opposite Age 30 (.133) by 10. This added to \$33.75 = \$33.10. Use lower figures on tabs with lower figures in windows in the same manner as illustrated above. This operation applies to both sides of Datagraph, and to all tabs.

Datagraph

Social Security Calculator

Manufactured and distributed by
DIAMOND LIFE BULLETINS
420 East Fourth St., Cincinnati, Ohio

The Ross Datagraph describes in condensed, understandable terms how and when each type of benefit is payable. Next, through the pulling of tabs, the various benefits are shown according to ages and number of years worked. Every age from 18 to 65. Five windows on each side show figures for round Monthly Earnings of \$50, \$100,

\$150, \$200, and \$250. The Datagraph also shows figures for each \$1 of Monthly Earnings, making it easy to calculate any odd amount.

Why Buy a Social Security Calculator:

1. To give accurate and instant information to inquiries from prospects or others. . . . 2. As great time-savers. . . . 3. As a basis in figuring Life Insurance programs, Pension Trusts, Salary Savings cases, etc. . . . 4. As worthwhile gifts to Banks, Trust Officers, Lawyers, C.P.A.'s, Business Treasurers, etc. . . . 5. To use in Approach on Life Insurance, creating interest on the part of a prospect and confidence on the part of a salesman.

Diamond Life Bulletins . . . 420 East Fourth St. . . . Cincinnati, Ohio

Please send me..... SOCIAL SECURITY DATAGRAPHS

@ each.

NAME..... TITLE.....

COMPANY.....

STREET ADDRESS.....

CITY AND STATE.....

"TO KEEP QUALITY, SERVICE AND SAFETY, FIRST"

has been the constant aim and practice of the Indianapolis Life Insurance Company through its more than a third of a century of progress.

QUALITY—business from quality field underwriters, quality assets, a quality Home Office personnel.

SERVICE—to policyholders and representatives that is complete, prompt, efficient, and

SAFETY, FIRST in all things.

The Company's strong financial position and its growth to the largest company organized as a Legal Reserve, Mutual Company since 1905 attest the wisdom of this course.

INDIANAPOLIS LIFE INSURANCE COMPANY

Indianapolis, Indiana

Over \$109,500,000.00 of Insurance in Force

Agency opportunities in Indiana, Illinois, Ohio, Texas, Michigan, Iowa, California and Minnesota.

EDWARD B. RAUB, President

A. H. KAHLER, 2nd Vice-Pres.
and Supt. of Agents

IT WAS ANNOUNCED

by President Alexander at the annual agency convention at Breezy Point, Pequot, Minn., that our agency production for the first seven months this year is

58% Ahead of Last Year

The reason is:

NEW POLICY CONTRACTS
NEW RATE BOOK AND DIVIDEND ILLUSTRATIONS
NEW GENERAL AGENCY CONTRACT
with
Office Allowance
New Financing Plan for Agents
Bonus and Over-Writing on New Organization
Unusual Renewals

Expansion Program Includes:

Indiana—Ohio—Illinois—Michigan—Iowa—
Nebraska—Missouri—Tennessee

The LAFAYETTE LIFE INSURANCE CO.
Home Office—LAFAYETTE, INDIANA
A Mutual Old Line Company

and emphasized the education of the agent on the fundamental concept of social welfare. He can go out and interpret his product as the world's greatest device to establish social and economic security. "If you do not do this, some other way of providing that social and economic security may be substituted—and it will not be by the route of individual initiative and personal responsibility."

President Johnson then called on O. Sam Cummings, immediate past president, who emphasized that the greatest source of pride for every administration is that it has helped lay the foundation for greater things in those to come.

In closing the session, President Johnson hammered home the necessity for continued mental growth and changing to meet changing times.

Managers' Session Capital Event

(Continued from page 7)

regular channels for reaching the students.

Mr. Russell had questioned other colleges. He cited one reply to the effect that the insurance people are too blatant in their proselytizing, and that what is wanted is a solid statement of the nature of the business and its opportunities. He objected to what he characterized as the fraternity rushing methods of some general agents.

The up-to-date procedure is to select carefully a smaller number of men. That, he said, will result in more economical selling. Every poor salesman drives away business. One company circularized all seniors, stating "You are just the type of man in whom we are interested". The hiring, he quoted a reply as stating, should be done by a central office of an

insurer, rather than by the individual general agents. This avoids confusion and futile effort and it develops insurance contact men of proper technique in interviewing students.

Carleton College Attitude

Carleton College favors companies taking graduates into branches on a salary basis.

Dartmouth advocates insurance companies giving thorough training courses and paying salaries to recruits.

Duke complained that too many graduates are lured into the business by the prospect of income only.

Harvard feels that few immediate graduates should enter insurance selling. Inadequate training and reliance on commissions makes the agent's existence precarious.

Commissions Too Precarious

Minnesota objects to the fact that recruits must live on commissions alone.

Mr. Russell said in the state universities one-half of the men students are earning part or all of their expenses.

Minnesota said in most businesses a stipend is given the college graduate and so long as insurance offers commissions alone, it will not attract the highest type of students.

Notre Dame said the students feel they would be likely to starve for a couple of years in life insurance. There is apathy on the part of students toward commission compensation.

Yale Sees Improvement

Yale said the theory that life insurance is not quite respectable is becoming less prevalent year by year. Better selection and recognition on the part of companies of the necessity of initial training and salary compensation is attributed by Yale to the improvement.

Should insurance companies recruit students at all? Colgate thinks not. After a man has had experience in other businesses, he realizes that life insurance is no more disagreeable than 101 other

FOUR HUNDRED MILLION DOLLARS LIFE INSURANCE IN FORCE!

We announce with much pleasure and satisfaction that the Jefferson Standard has \$400,000,000 life insurance in force.

This important achievement takes its place in Jefferson Standard history as another in the long line of distinguished accomplishments.

We express our heartiest thanks to our field representatives who have contributed so loyally, and so splendidly to the progress of our great Company.

Heartiest greetings to the National Association of Life Underwriters on the occasion of the 50th anniversary of the organization.

JEFFERSON STANDARD LIFE INSURANCE COMPANY

Julian Price, President

Greensboro, N. C.

lines. Colgate feels attention should be directed at men who have been out of school a few years, who have gained some poise and maturity and have had some hard knocks, who have changed from boys to men. The man of 25 is many years older than the youth of 22. He can speak with more authority. He has had contact with older men rather than merely with college boys.

Use of Aptitude Tests

Mr. Russell said the universities have not advanced far in the use of aptitude tests. Those specialized tests should be given by life insurance companies rather than by universities. The colleges are not thoroughly sold on the value of psychological tests, but Mr. Russell voiced the opinion that the tests now being used in the insurance business are sound.

The placement men did not give satisfactory response to the question of the traits that are necessary for insurance success. Few felt that high grades in studies are important. Mr. Russell said the very highest grades are not necessary, but the very lowest grades spell failure. Better than average grades are a good index, according to Mr. Russell.

Summarizes Conclusions

Mr. Russell summarized the conclusions of his study. Virtually all colleges are seeking to cooperate with business in getting together the man and the job. Placement bureaus are standard equipment in most colleges. The companies should pursue a policy of careful selection and thorough training. The companies should give attention to the man several years out of college rather than to the immediate graduate. A small salary should be paid during the training period. The more training that is offered in college, the shorter the training period that is necessary in the insurance world. The insurance companies should provide fair literature on insurance prospects, not too glamorous.

Insurance companies can induce the colleges to assume a greater share of the task of training if pressure is applied in the right quarters.

The colleges probably could be induced to apply the specialized insurance aptitude tests. Those companies that are still hiring many recruits in the hope of getting a successful man here and there should cease that practice. That procedure has brought insurance in disrepute.

Holds Insurance in Esteem

Mr. Russell states that he holds insurance in high esteem and his only son is an insurance man.

Mr. Russell was given a prolonged ovation.

The final speaker at the morning session was H. M. Faser, Jr., Penn Mutual, Boston. Mr. Faser has had especial success in building with young men.

Philip B. Hobbs, Equitable Society, Chicago, chairman of the managers' section, took the microphone and announced that the members upon leaving the room would receive a kit of material donated by the Research Bureau and publishers.

Watson Presides in Afternoon

Wallace Watson, Connecticut Mutual, Boston, presided at the afternoon session, in his capacity of vice-chairman of the section.

John A. Ramsay, Connecticut Mutual, Newark, and E. H. Dieckhoff, Connecticut Mutual, Denver, gave what was described as "Plan Book Interview With John Agent at End of First Year."

Mr. Ramsay took the part of the general agent, seeking to get John Agent (Mr. Dieckhoff) to operate under a budget plan. Those in the audience were supplied with mimeographed copies of the plan that Mr. Ramsay was covering in his conversation with Mr. Dieckhoff. In asking the agent to set an objective of \$325,000 production, Mr. Ramsay asked Mr. Dieckhoff to "order out \$325,000 of merchandise."

Herbert W. Floer, Aetna Life, Grand Rapids, Mich., gave an address, "Successful Methods of Reviving the Older

Agent." Mr. Floer said he disregards the calendar years of men. The "older" man to him is the one who has passed through the training period and has made a living in the business, but is in a slump. A portion of the profits that the general agent makes from the steady producers should be set aside to rehabilitate those who have struck a slump.

In the semi-retired group of agents, there are those who have the right to take advantage of the leisure of the business. They are the living proof of the value of renewal income. These men will react to direct appeals for cooperation, either for the benefit of the agency or as an example to the younger men. They cannot be reached by appeal to pride. These are valuable, respected men and are welcome in the agency.

Others Are Impaired

There is a large group of men who periodically suffer production lapses that impair their financial security. These men have a big asset in their knowledge of the business, in the fact that they have had successful sales experiences; in their prospect reservoir; in their list of policyholders. Such men enjoy community prestige. They have basic incomes in the form of renewal and deferred commissions.

Their liabilities consist of the fact that their basic income may have caused them to have a false sense of security; they have established habits; and they may lack immediate initiative.

Methods of Motivation

Motivation in the agency is directed to the entire staff and the rightful share of attention is given to the "older" man. The consultation method is employed. Sales talks are rehearsed. Periodic prospect reviews are held with men who are heading into production slumps. Work methods are reviewed. The executives of the agency are available at all times to these men.

The executives assist in solicitation and do not split commissions.

Sometimes a supervisor stays with a man an entire week.

Mr. Ramsay and Mr. Dieckhoff went back to the microphone for a review of the first quarter's results of John Agent. It turned out that John Agent was somewhat behind schedule and Mr. Ramsay set about jacking him up.

Isadore Samuels, New England Mutual, Denver, announced the decision of the committee on award of the trophy to the local managers association that had the best record for the year.

The award again went to Los Angeles,

which was the winner in 1938 as well. A city becomes the permanent owner of the trophy if it is the winner three years. George Page, California-Western States, accepted the trophy in behalf of Los Angeles. He is president of the Los Angeles managers association. Los Angeles, he said, has a membership of 57. Mr. Page had those from the Los Angeles unit who were in the audience stand and take a bow.

The final speaker was Dr. James Shelby Thomas, president Chrysler Institute of Engineering and president of Clarkson College of Technology, Pottsdam, N. Y. He is a rapid fire, inspirational speaker with a succession of philosophical, witty observations. He had the audience with him from the outset.

Fidelity Mutual Activities

A. Mansur Tebbetts, St. Louis general agent for Fidelity Mutual Life, is giving a luncheon for his company's representatives. James H. Brennan of Chicago, new president of the Fidelity Mutual General Agents' Association, is having a conference of members that are present to consider revision of the by-laws. The head office is represented by Vice-president F. H. Sykes and Calvin Pontius, supervisor of agencies.

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Make it Your Convention Headquarters

111 Insurance Organizations have chosen this unique Hotel on the beautiful shores of Lake Michigan as their meeting place. Ideally located with all modern facilities and unexcelled service for your every comfort and convenience it has played the role of the understanding host to the Insurance Fraternity year after year.

Make the Edgewater Beach Hotel your Convention Headquarters in Chicago—all the luxury and refinement that a private club would afford are yours.

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In **CHICAGO**

The Old Reliable

Welcomes the
*Nat'l Ass'n of Life Underwriters
 to St. Louis*

SEPT. 24, 25, 26, 1939

and

Cordially invites you to visit our Home Office while here, a place where the "St. Louis Blues" never enter.

ORDINARY LIFE

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Servicing Missouri, Texas, Arkansas and Kansas

**THE RELIABLE LIFE INSURANCE
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"Its Name Is Its Motto"

B. L. TATMAN, President

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3639 Olive Street

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Write if interested in a
 Permanent Connection

NORTH AMERICAN LIFE INSURANCE COMPANY

E. S. ASHBROOK
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OF CHICAGO.

PAUL McNAMARA
 Vice-President

JOHN H. McNAMARA
 Founder

North American Building, Chicago, Illinois

State Presidents Hold Animated Dinner Session

(Continued from page 6)

Alvin Moser, Aetna Life, Milwaukee, inquired how the Pennsylvania association is financed.

Mr. Webster replied that 30 cents per member goes to the State association. That did not prove satisfactory, because of the heavy contribution from Pittsburgh and Philadelphia. Hence the rule was changed to put a limit of \$150 from a single city. A managers conference is conducted which produced as high as \$600. The problem of financing still exists.

Wisconsin Charge Is \$1

In Wisconsin, Mr. Moser said, there is a charge of \$1.

Spencer McCarty, Provident Mutual, Albany, inquired whether Pennsylvania has a full-time secretary. Mr. Webster replied that the secretary is on a part-time basis. In answer to a question, Mr. Webster said the association pays the expenses of the president to the National convention. Where the State association stages a sales congress, the State gets the entire profit.

Earl Schaeffer, Fidelity Mutual, Harrisburg, inquired how the State association gets along with local associations in the very large cities.

Ralph Hoyer, John Hancock, Columbus, said in Ohio the State association takes the position that the welfare of the individual agent is being served and that the pro rata charge should be collected regardless of the size of a local association. The Cleveland association pays the full assessment.

Mr. Webster said the State dues must be increased if the State association is to function as it should.

G. H. Page, California Western States

Life, Los Angeles, explained the financing arrangement that is employed in California.

An effort is being made to work out an arrangement for employment of a full-time secretary.

E. A. Murphy, Rochester, said the New York State association collects 50 cents per head. Spencer McCarty said in New York the State association gets one-half the profits of sales congresses, the balance going to the local unit.

Robert M. White gave a talk on building programs. In Texas, he said, there are 21 local associations. Attention, he said, must be given to providing interesting programs after the initial enthusiasm has brought about the creation of local associations.

Some may think it is not the function of the state association to regulate the programs of the locals, but Mr. White expressed the belief it is just as much the function of the state organization to see that programs of quality are given as to see that local units are organized. The locals should be encouraged, however, to get their own speakers as frequently as possible, rather than relying entirely upon the state organization.

O. D. Douglas Gives Views

Mr. White introduced O. D. Douglas, Lincoln National, San Antonio, who amplified what Mr. White had said. Mr. Douglas told what was done in his administration as Texas state president. The best speakers, he said, are worthwhile, successful life insurance men. Arrangements were made to get publicity for the speakers in the local newspapers. Steps were taken to establish a chair in the state university. A successful crusade was launched against post-mortem assessment concerns. They were driven from the state and have now moved to California, Mr. Douglas said (with a smile).

The Leaders Round Table of Texas

WELCOME! NEIGHBOR

MISSOURI is highly honored with this opportunity of having the country's leading life Underwriters within its gates. We earnestly hope that visiting N. A. L. U. delegates will have an enjoyable stay in St. Louis.

AMERICAN SAVINGS LIFE INSURANCE CO.

KANSAS CITY, MO.

An Old Line Legal Reserve Life Insurance Company operating in Arkansas, Indiana, Kansas, Missouri, New Mexico, Oklahoma and Texas.

R. S. TIERNAN, President

sids the state association by paying \$2 per head. Intense interest surrounds the activities of the round table. Members are given a luncheon at the state meeting.

At the Denver meeting of the National Association, Mr. Douglas arranged to have 100 speeches given at local meetings in Texas.

In answer to a question from N. B. Maddox, Atlanta, Mr. Douglas said the state association does not defray the expenses of the speakers. Most of the speakers, he said, appeared without charge.

Commissioner Drawing Card

Herbert J. Baum, Birmingham, said the insurance commissioner has proved a good drawing card in Alabama.

G. H. Page told of the caravan scheme that is operated in California. A group of state leaders motors about the state, putting on local sales congresses. Mr. Page asserted that the assessment operators have now been driven from California and are now operating from Arizona.

H. C. Lawrence, Lincoln National, Newark, president New Jersey association, spoke on state sales congresses.

The first objective of a congress is to improve the knowledge of the agent. Speakers must be selected who can give the producer a sharper viewpoint and a fresh outlook. Another objective is to promote fellowship, encourage tolerance and remove the angularities of competition. Then the aim is to build membership for the local units and to build prestige for the institution. Also to stimulate interest in the C. L. U. movement.

Skeleton Framework

There should be drawn the skeleton framework of a sales congress program by the conference of state presidents, according to Mr. Lawrence. The program should be diversified, not overlooking the interest of the industrial men. There should be an emotional

Pacific Mutual General Agency Powwow in St. Louis

Pacific Mutual for many years has had its annual general agency powwows Monday and Tuesday during National convention week at the headquarters city. This year the conference is being held Friday and Saturday instead. About 50 Pacific Mutual general agents had registered for the National convention by Monday. The head office is represented by President A. N. Kemp, Vice-president D. C. MacEwen, Agency Manager Jens Smith, Supervisor Walter Hoefflin and Floyd Forker, director of publicity.

speaker who can create a mental attitude and a speaker on the value of association membership.

The fellowship phase should not be neglected. Some entertainment must be provided. The wives should be encouraged to attend the banquets.

Homer Rogers requested the group to memorialize the trustees to employ at national headquarters a substantial man to represent the field force legislatively in Washington, to keep advised of all developments and to direct the agency organization in the battle against encroachment upon life insurance of federal schemes.

Favors Militant Stand

Ralph Hoyer said Ohioans believe it is high time the agents step out and take a militant attitude in the face of governmental threats to the business.

Joseph McCance, Hartford, reviewed the successful fight in Connecticut against savings bank insurance.

J. G. Callahan, Metropolitan Life, St. Louis, spoke a word of greeting. He advocated that the state presidents launch a public relations program, telling the story to the public.

H. A. Luckey of Indianapolis told something of the legislative mechanics in his state.

Do You Want

A General Agent's Job? Financing and Commission

You must be able to—

1. Write personal business of a substantial amount.
2. Attract good men.
3. Educate them in the fundamentals of life insurance underwriting.
4. Successfully demonstrate to them the writing of life insurance.

Openings in the following states: Iowa, Illinois, Indiana, Ohio, Missouri

If interested, write immediately to

KARL B. KORRADY, Vice-President
Director of Agencies

ILLINOIS BANKERS LIFE Assurance Company

MONMOUTH, ILLINOIS

LIFE

ACCIDENT

HEALTH

DURING THE FIRST *Eight* MONTHS of 1939 We again made a substantial gain in business in force

Which means that Commonwealth agents are earning more money. This speaks well for Commonwealth's *Cordial Cooperation.*

Our present program calls for a more intensive development of the states of OHIO and INDIANA, through the medium of State Supervisors. A splendid opportunity for the right man.

For Further Information Write I. Smith Homans, Exec. Vice-Pres.

Commonwealth Life Insurance Company
HOME OFFICE: LOUISVILLE, KENTUCKY

Amicable greetings

to

50th ANNUAL CONVENTION

of the

National Association
Life Underwriters
Assembled in St. Louis

Amicable
Life Insurance Co.

WACO • TEXAS

President Johnson Reviews Objectives

(Continued from page 14)

"There remains for you and me as individual life insurance men, the necessity of so rendering service to our policyholders in relation to their life insurance programs that they will have a greater faith in us than in those who would lead them along devious paths by enchantment and promise which they cannot and do not fulfill.

"We also pledged that the association would continue to work for the improvement and the development of the organization structure of our local, state and national associations. During this past year I am of the opinion that there has been a much closer relationship developed within many local associations.

State Association a Factor

"As our national structure becomes more and more diversified and larger in its usefulness, adding more local associations each year, I am very happy to note that the state association is becoming a more important factor within the whole framework of the National association. I would ask you who are the representatives of the various state and local associations to continue to strengthen your own individual association, for as the local leadership develops, so the strength of the association increases.

"One of the very heartening things has been to note the manner in which you have accepted the change of philosophy in our national council; namely, you are realizing more and more the fact that the local association after all is the autonomous unit through which the National association functions, and you are using your National council as a means

of expressing your voice, your opinions and your ideas, and thereby the National association becomes in reality your association, and you, through this process, make your association a wholly democratic organization in that the National association expresses the principles and objectives as fostered by the local associations.

Guide Posts for Future

"I now call to your attention a few thoughts which seem to me might serve as guide posts for the future and which should have consideration on our part.

"We as an association, and you and I as individual agents, must work together, keeping in mind the fact that with the constantly increasing service being rendered by the institution of life insurance, and with a broadening base of public acceptance, we must continue to recognize that we have a very definite and direct responsibility to the public. We should therefore conduct ourselves and so establish our programs of development that we will convince the public that we accept this responsibility and that we will see to it that they get a greater appreciation and more fundamental knowledge of, the life insurance business as conveyed through us, the life insurance men.

"Secondly, we must be aware of the fact that the passing parade is a moving parade, and one which constantly moves forward. Therefore, we must produce the kind of agent who will be more than a salesman, a real service representative, with a training and equipment which will bring to him a better ability to serve the public more adequately in relation to its life insurance needs. We must try constantly to develop our merchandising processes and procedures in order that we may eliminate some misunderstandings which have been created by inadequate or faulty methods of mer-

Untroubled Sleep...

SOMETHING TO SELL!

...as Secure
as it is Sound

Orphans at age 3

...yet their Dad's
dreams are being
realized.

Off the Pay Roll
Onto the
"Play Roll"

The
OUTCOME
of a
BENEFICIAL
INCOME

This Widow
inherited
a Home
instead of
a mortgage

Our 35th year of service to Western America
continues to demonstrate countless variations
of The OUTCOME of BENEFICIAL INCOMES

BENEFICIAL LIFE
INSURANCE COMPANY

HOME OFFICE
SALT LAKE CITY, UTAH

HEBER J. GRANT
PRESIDENT

It is a Fact
That
COUNTRY LIFE INSURANCE CO.

- Has attained \$130,000,000 of insurance in force in 10½ years.
- Has an outstanding portfolio of investments.
- Is strictly cooperative in set-up and operation.

HOME OFFICE

CHICAGO, ILL.

chandising. We must continue the development of a better marketing program required by a sound distribution system. This leads me to suggest that there must be considered some changes in the compensation system for agents which would provide them with a more stabilized income today and the possibility of future security in their declining years. These are immediate concerns which must have attention from our association.

VIEWS INVESTIGATION

"There is another vital matter. There has been much discussion this year about certain misunderstandings which have grown as a result of publicity from the so-called monopoly investigation being conducted in Washington, and I would like to take this opportunity of clearing up some of the misunderstandings which have resulted from press comments and some of the testimony taken before the TNEC committee in Washington which is studying the question of monopoly in American business.

"In spite of the past performance of life insurance, there are some questions being asked of life insurance. However, it is not life insurance alone which is being studied. All phases of American business and industry are at the present time feeling the inquisitive scrutiny of those in our governmental agencies who would study the influence of our present institutions on American life and economics. From such a study, if conducted on a scientific and honest basis, much good could and should come, for few, if any, of our American institutions have as yet reached perfection.

Procedure Is Wrong

"However, if a few weaknesses are to condemn the whole institution, then all must agree that the procedure is wholly wrong. 'For one does not burn down the barn to get rid of a few rats,' as one commentator said so aptly a short time ago. As president of The National Association

of Life Underwriters, I would call your attention to the fact that our association, for 50 years, has worked continually for a program which has as its objective the raising of the standards within the life insurance business for the best interests of the policyholders, the companies and the agents. The record of its accomplishments attests to the effectiveness of the association's program. However, we must all recognize that there still remains much to be done, and I assume that there always will be, for there is no such thing as a static condition in business and industry. Even government agencies are not perfect.

"In one instance the study has raised the question of federal supervision of life insurance as opposed to the present system of state supervision. One cannot forget, however, that for many years the 48 states have maintained a very close supervision over all kinds of insurance, and that under this supervision life insurance has established its great record of safety and security, and the interests of the policyholders have been kept in the forefront.

Federal Systems Suggested

"This raises the question as to whether, under our democratic system of government, there is not a greater check for the benefit of policyholders with 48 individual supervisory units, as opposed to a system of supervision under one head, giving to a federal bureau or to a federal group complete control over the operation of American life insurance companies and their assets.

"There has been some discussion of the distribution system of life insurance. One cannot help but be impressed with the fact that the American agency system has been responsible for the fact that the American people today own nearly three-quarters of the world's insurance. It would seem that a distribution system which has been as effective as that does at least have something

What is a Good Life Insurance Company?

- ONE that maintains a competent Agency Department.
- ONE whose personnel is so selected that each is working in the interests of the policyholder.
- ONE whose entire organization in personnel and service is keyed to high efficiency.

Such is the Farmers Union Life Insurance Company—a company geared to highest efficiency.

FARMERS UNION LIFE INSURANCE COMPANY

Des Moines

TOM WHITE, President

Greetings from

SCRANTON LIFE INSURANCE COMPANY

SCRANTON, PA.

WALTER P. STEVENS, President

Greetings

AMERICAN LIFE CONVENTION!

The progress of life insurance has been due, in a large part, to the fine spirit of helpful and friendly cooperation between members of this organization. We congratulate you on your valuable contributions to the institution of life insurance.

Increases of 450% in surplus, 150% in assets, and 100% in insurance in force for 1938, and continued progress for the first eight months of 1939, make Republic National Life feel that it is keeping in step with the advancement of the Nation's greatest business.

REPUBLIC NATIONAL LIFE INSURANCE COMPANY

"Registered Policy Protection"

THEO. P. BEASLEY, PRESIDENT AND GENERAL MANAGER
Home Office, Dallas, Texas

COLORADO LIFE

A GENERAL AGENCY COMPANY

Offering Splendid Opportunity for Real Future to People With Vision

LIFE

Low rate non-participating contracts . . . Low net cost guaranteed bonus policies . . . Liberal sub-standard department.

HEALTH

Exclusive territory for real builders . . . With a truly modern agency-minded company.

ACCIDENT

A streamlined accident and health department with a complete line of modern accident and health policies, including travel and hospitalization. . . . Sold independently of life insurance.

AND

A new one . . . A combination—Life Plus Time—life, accident & health all in one. Contains extremely liberal accident and health features, house confinement not required. Extremely low cost. Liberal first and renewal commissions. . . . This one gets business and holds it. . . . Life plus time exclusive with Colorado Life. . . . For information regarding territory write

W. LEE BALDWIN, President

COLORADO LIFE COMPANY

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"TOPS" at Home

Faith in the Lamar Life has again been expressed by Mississippians, who have intimately known the management of the Company for 33 years.

The fact that for the eighth successive year The Lamar Life led all companies in its home State in volume of similar protection speaks for itself.

During the first half of 1939, insurance in force increased 179 per cent above the total increase made by the Company for the entire year of 1938.

We have some open territory for District Managers and Special Agents in:

ALABAMA
ARKANSAS

TEXAS

LOUISIANA
TENNESSEE



SERVING HUMAN NEEDS SINCE 1906

RE-ASSURANCE

It's a reassuring fact to Great American Life salesmen in the field to k-n-o-w that

- ... Their efforts with this company are being appraised by home office executives who are salesminded.
- ... The home office staff has intimate knowledge of conditions in the field through actual working experience.
- ... The management has always directed financial policies to assure Great American Life men they are selling the soundest possible insurance values ... in the form of truly "saleable" contracts.

GREETINGS —
to the N. A. L. U. Convention
in St. Louis for the
50th Anniversary

THE
GREAT
AMERICAN
LIFE INSURANCE COMPANY
HUTCHINSON :: :: KANSAS
WILL S. THOMPSON, President



to command it, regardless of the fact that we must all recognize that there are some inherent weaknesses which, given the element of time, can and will be changed.

"The implication has been made that the present distribution system affects the cost of insurance to the policyholder. While it is true that the commission which is payable to the agent does have an effect upon the element of cost, I believe a careful check-up of what that is, as well as the service rendered to the policyholder will justify it, not only in that service, but also in the social implications which inhere in the distribution system.

Technical Angles Misleading

"The very technical nature of the life insurance business frequently causes a misunderstanding of the manner in which computations are made and commissions paid. An interesting fact of which most policyholders are not aware is that the maximum commission payable, and, furthermore, the actual cost of operation of life insurance companies as to commission, are prescribed by law. Many of our state insurance departments follow the rulings of the New York insurance department under their statute which was created as a result of the Armstrong investigation in 1906, in which a careful analysis was made to determine what should be the maximum cost in relation to life insurance. As a matter of fact, the law even goes so far as to state not only the maximum commission payable, but the amount of business which a company can do in a given year over and above its previous high point.

"It has been argued by some that perhaps life insurance could be distributed at a lower cost if it were sold direct to the policyholders over the counter. Life insurance is a strange type of service. We all know we need it, still very little of it is actually purchased, because of the fact that most of us have to be motivated to do that which we would wish to do for ourselves, but which for some reason we do not seem to get around to doing. There has been an attempt to sell life insurance by direct mail through one of our great mail order houses, which was discontinued because it was not effective. We have what is known as the Massachusetts savings bank life insurance which, after 30 years of experience, has increased only to the extent of 154 millions of life insurance on the books, whereas the regular companies operating in the state in that same period of time have increased their insurance in force by over four billion dollars, and it would be interesting to know what part of the 154 millions would have been purchased had it not been for the work of the life insurance man who sold the idea, and then the policyholder went to the bank to purchase it. Furthermore, the Wisconsin state life fund, in its 28th year, has collected only \$77,507 in premiums and has paid out only \$14,000 in death claims. So, in spite of the fact that it has been available over the counter, so to speak, these plans have not been very successful. It has taken the service function of the agent to cause us to own 110 billions of insurance.

Some High Pressure

"It is no doubt true that in some instances there have been a few examples of high pressure selling. There may also have been some sales which should not have been made and which have caused policies to lapse, but taking the whole picture in its social implication, America is better off with 110 billions of insurance in force. Our social problem would no doubt have been greater, had we sold considerably less insurance at a slightly lower cost to the purchaser.

"You see from this that the social value of life insurance as it has been produced by the agent has been a vital contribution to the economic structure of America, and those who are truly interested in improving the distribution of the commodity known as life insur-

Home Towners to Fete Holgar Johnson Oct. 2

Holgar J. Johnson of Pittsburgh, general agent for Penn Mutual Life and the retiring president of the National Association of Life Underwriters, is to be guest of honor at a testimonial luncheon in Pittsburgh, Oct. 2, that is being arranged by the agencies committee of the Pittsburgh Life Underwriters Association. National association officers and trustees, prominent insurance company officials and many out-of-town insurance friends as well as the Pittsburgh fraternity will join in the testimonial. G. Harold Moore is general chairman of the committee.

ance would do a better job if they took into account what the American agency system is and what it has done in providing security for the people of this country than if they hold up as a startling defect the fact that the life insurance agents in America are receiving an honest compensation for selling and servicing a product which most people will not buy without effective solicitation. The life insurance agent is performing a service which society, as at present constituted, cannot do without. He is worthy of his hire.

Must Face Reality

"In view of these facts about our business, I cannot help but feel that while we must be guided by cool and deliberate judgment, we must face reality, and should there be initiated by governmental agencies any attempt to weaken or replace the agency system which has served so effectively, we must be prepared to defend our position by seeing to it that the legislators, as well as the public, are acquainted with the true facts about life insurance and the job done by the agent.

"When we fully realize the significance of the social values behind life insurance, we agents and our companies owe a responsibility to the public to see to it that they must not be denied the benefits of the fullest protection. It is not a matter of considering our own interests. It is a social obligation to the American people that we cannot and must not neglect. We cannot sidestep our responsibility to protect the system which has so faithfully provided such wide protection for the public. To take any other course we would be lacking in courage and in our duty to society.

"Therefore, I ask that you stand ready to act if, as and when the time should come for action. Your association is prepared and awaits only for the emergency to arise, which we hope never will.

Must Band Together

"As I bring to a conclusion this message brought to you on the 50th anniversary of our National association, I believe that while what we say here today may have little or no effect on the future, I also believe that what we carry away in our hearts, which causes us as an association, banded together for the best interests of our policyholders and the public, to do those things which will react eventually for the best interests of our policyholders and the public, will determine the value to the future of the part that we have played in the development of the National association in this past year.

"As we return to the heritage which was given to us by those who, 50 years ago, created this association, may we by our action express to them our appreciation again for what they have done and thereby say to them that it is our hope that what we have done may in some measure help to fulfill the prophecies which they laid down, and by that process continue to build the great institution of life insurance so that it may perform a greater service toward bringing to the American people a more adequate protection through their own personal thrift and initiative, and thus keep this the best nation in which to live."